DOCUMENT RESUME

ED 298 235 UD 026 371

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TITLE Necessary Relief: The Stewart B. McKinney Homeless Assistance Act.
INSTITUTION National Coalition for the Homeless, Washington, DC.
PUB DATE Jun 88
NOTE 49p.
AVAILABLE FROM National Coalition for the Homeless, 1439 Rhode Island Ave., N.W., Washington, DC 20005 ($5.00).
PUB TYPE Reports - Evaluative/Feasibility (142)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Economically Disadvantaged; *Emergency Programs; *Federal Aid; Federal Legislation; *Federal Programs; *Health Programs; *Homeless People; Housing Needs; Hunger; Poverty; Program Effectiveness; *Program Implementation; State Federal Aid; Welfare Services
IDENTIFIERS *Stewart B McKinney Homeless Assistance Act 1987

ABSTRACT

Despite the positive contributions of the 1987 Stewart B. McKinney Homeless Assistance Act (the McKinney Act), Federal emergency aid has failed to keep pace with the growing need for assistance. Less than one year after the passage of the McKinney Act, progress has been made toward meeting the emergency need for food, shelter, and health care among the growing number of homeless persons, and virtually every program authorized by the legislation has been made available to the public. Nevertheless, the funds are not adequate and agencies have acted slowly in distributing the money they did receive. McKinney Act appropriations have affected every state by creating new programs and sustaining existing programs to meet the survival needs of homeless persons, including the following: (1) the Federal Emergency Management Agency (FEMA) emergency food and shelter funds; (2) the Department of Housing and Urban Development (HUD) housing funds; and (3) the Department of Health and Human Services (HHS) primary and mental health care program funds. Yet failure to implement some of the provisions of the McKinney Act have resulted in the following: (1) no increase in the availability of food stamps; (2) endangerment of the Temporary Food Assistance Program; and (3) unavailability of education and job training programs until the end of the summer of 1988. The McKinney Act must be renewed at higher funding levels that realistically address the size and growth of the homeless population. Each agency receiving funds is profiled, with the following information provided: (1) amount of award; (2) amount distributed; (3) programs covered; and (4) demand for funds, by state. Three tables of statistical data are appended. (FMW)

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ED298235

NECESSARY RELIEF:
The Stewart B. McKinney Homeless Assistance Act

June 1988

Ade Bethune

National Coalition for the Homeless
1439 Rhode Island Avenue, N.W.
Washington, D.C. 20005

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TABLE OF CONTENTS

Acknowledgements	i
Summary	ii
I. Introduction	1
Summary of the McKinney Act	2
Summary of Methodology and Results	3
II. Interagency Council	5
III. Federal Emergency Management Agency (FEMA)	6
IV. Department of Housing and Urban Development (HUD)	8
A. Emergency Shelter Grant Program	8
B. Transitional Housing	12
C. Permanent Housing for the Handicapped	15
D. Supplemental Assistance for Facilities to Assist the Homeless (SAFAH)	16
E. Section 8 Single Room Occupancy	17
V. Department of Health and Human Services (HHS)	19
A. Primary Health Care	19
B. Mental Health Block Grant	21
C. Mental Health Demonstration Grant	23
D. Alcohol and Drug Abuse Demonstration Grant	24
E. Community Service Block Grant	25
VI. Department of Education	28
A. Education of Homeless Children and Youth	28
B. Adult Literacy	30
VII. Department of Labor	30
A. Job Training Demonstration Program	30
B. Veterans' Reintegration Project	30
VIII. Department of Agriculture	31
A. Food Stamps Amendments	31
B. Temporary Emergency Food Assistance Program (TEFAP)	32
IX. Veterans Administration	33
A. Surplus Property	33
X. GSA, HHS, HUD Surplus Property Program 33	
XI. Conclusion	34

Acknowledgements

The National Coalition for the Homeless would like to thank all of the individuals and organizations that assisted in monitoring the McKinney Act for their vigorous efforts. We also thank Julie Akins for her work in assembling this information and drafting this report.

For the first time since the Great Depression, homelessness in America has reached mass proportions. Across the country, record numbers of men, women and children lack the basics necessary to human survival: a bed to sleep in and a meal to eat. In the richest nation on earth, the demand for the barest emergency aid grossly outstrips available resources.

Last Spring, after years of inaction, the United States Congress for the first time passed comprehensive federal legislation to aid America's homeless poor. Passed by overwhelming bipartisan majorities, the Stewart B. McKinney Homeless Assistant Act authorized just over $1 billion, to be spent in 1987 and 1988, in emergency aid. On July 22, 1987, President Reagan reluctantly signed the bill into law.*

The McKinney Act has provided desperately-needed emergency aid. Virtually all of the 1987 programs have been implemented and almost all of the funds have reached the streets. The McKinney Act is now making a difference in the lives of homeless persons around the country. New shelter beds and emergency aid programs -- detailed in this report -- have been established.

Nevertheless, federal efforts to aid the homeless remain seriously flawed. First, despite an express Congressional finding that the nation's homeless face "critically urgent needs," federal agencies have often acted too slowly in implementing the McKinney programs. In two cases agencies acted only after suit was filed in federal court. Second, despite the Congressional promise of aid, Congress has refused to fully fund the McKinney programs. Third, much more remains to be done. The McKinney Act, which expires at the end of 1988, must be reauthorized. More important, Congress must go beyond the emergency relief to permanent solutions.

This report evaluates the McKinney Act for 1987 and 1988. It makes the following findings:

To date, 90% of the funds appropriated for 1987 have actually been awarded by the federal agencies and are now providing emergency aid to homeless persons. Almost two-thirds of the 1988 funds have now been awarded. Without doubt, these funds are now making a critical difference.

Yet distribution of these funds has proceeded unevenly, at best. At the executive level, there has been an absolute lack of leadership in implementing the Act's provisions. The most telling example of this is the failure of the Interagency Council, created by the Act to oversee its implementation, to fulfill its duties. The Council failed to convene as required by the Act and took five months to appoint an Executive Director. It has played no role in enforcing the provisions of the Act.

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* According to the White House, President Reagan signed the bill in the evening in order to demonstrate his "lack of enthusiasm" for the measure. See "President Signs $1 Billion Bill in Homeless Aid," New York Times, July 24, 1987, at 1.

Given this lack of leadership, the individual agencies have implemented the Act unevenly:

In some cases, the agencies acted quickly and efficiently:

- The Federal Emergency Management Agency (FEMA) acted quickly to distribute emergency food and shelter funds.

- The Department of Health and Human Services (HHS) acted quickly to award primary health care funds.

In other cases, agency action was inadequate:

- Some agencies simply violated the Act by refusing to meet deadlines that Congress imposed in order to get funds out in time for the winter. The Department of Housing and Urban Development (HUD) failed to meet a statutory deadline to release supplemental emergency shelter funds, delaying critical assistance by months. The Department of Education (DOE) failed timely to implement a program to educate homeless children, risking the loss of an entire school year for these children. In both cases, the agencies acted only after the National Coalition filed suit.

- In some cases, the agencies acted with reasonable speed themselves, but promulgated regulations designed to ensure extraordinary delay in getting funds to the streets. Under HUD's guidelines for the Emergency Shelter Grants Program, it takes over 9 months for appropriated money to reach homeless persons.

- Finally, in other cases agencies issued guidelines that imposed no timetables on local governments to apply for funds. For example, HHS made mental health block grant money available in October, 1987, but imposed no application deadline on the states. As a result, it took states many months to apply for funds; two states have yet to apply. In the meantime, mentally ill homeless persons languish on the streets.

Funding. Congress has failed to live up to its promise of relief. While $1 billion was authorized, much less was actually appropriated. In 1987, $432 million was authorized, yet only $355 million was appropriated. In 1988, of the $615 million authorized, only $363 million was appropriated. As a result, some programs received no funding at all; others were decimated. For example, the Emergency Shelter Grant program -- the centerpiece of the Act -- was authorized at $120 million for 1988. Yet only $8 million was appropriated.*

While Congress has broken its promise of aid, the demand for relief grossly exceeds available funds. For example, in 1987, requests for Single Room Occupancy (SRO) permanent housing assistance were ten times the amount appropriated to fund the program. Similarly, in 1987 applications for the Primary Health Care program requested a total of $188 million; only $46 million was available. Yet despite this tremendous need, in 1988 Congress provided no funding at all for the SRO program and slashed funding for the health care program.

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* See Appendix B.

Permanent Solutions. The McKinney Act is -- and was intended to be -- an emergency measure. Emergency aid is important -- it literally saves lives. The McKinney Act has helped provide that relief, and it should be reauthorized. But a serious response to homelessness means more than emergency relief; it means permanent housing.

Permanent solutions to homelessness exist: they can and must be implemented. But true solutions require more than the rhetoric of compassion; they require the political will -- and courage -- to take concrete action. The National Coalition for the Homeless proposes legislation to create about 200,000 units of affordable housing for homeless persons. At an annual cost of $2 billion, this new bill would provide permanent relief to this nation's most destitute citizens.

IMPLEMENTATION OF
FEDERAL HOMELESS ASSISTANCE PROGRAMS

I. INTRODUCTION

This report evaluates programs authorized and funded by the Stewart B. McKinney Homeless Assistance Act of 1987 ("the McKinney Act"), the first comprehensive federal legislation to provide emergency relief to the nation's homeless population. The statute, signed into law July 22, 1987, authorized twenty food, shelter, health care and other emergency services programs to be administered by seven federal agencies from the date of enactment through December 31, 1988. Congress is currently considering legislation to reauthorize the Act for another two years.

In November 1987, the National Coalition for the Homeless reported that as the winter of 1987 set in, new emergency programs were already delivering life-saving services, but that in many cases the agencies were delaying implementation of critical McKinney Act programs. See Saving Lives: Emergency Federal Aid Reaches the Streets (November 1987). The failure of some agencies to implement their programs before winter was due primarily to the Administration's failure to comply with Congressional intent that the programs be made available on an emergency basis. In two cases, the National Coalition was forced to bring lawsuits to require agencies to initiate McKinney Act programs in accordance with the statutory timetable. In addition, the National Coalition has routinely pressed federal agencies to expedite implementation of programs, persuaded state and local governments to apply for grants on a timely basis, and educated state and local government and private entities about participation in McKinney Act programs. All these functions were properly the responsibility of the federal agencies.

This report continues the evaluation of McKinney Act programs. It reviews implementation of the programs by the federal agencies for 1987 and 1988. In addition, it reports on the services now being provided and the needs being met by the McKinney programs in various states around the country.

A. Summary of the McKinney Act

The following outlines the twenty statutory programs authorized by Congress in the McKinney Act of 1987.

(1) Federal Emergency Management Agency ("FEMA"):

(a) The Emergency Food and Shelter program distributes funds to local nonprofit organizations to provide emergency services such as eviction prevention, food services and emergency shelter.

(2) Department of Housing and Urban Development ("HUD"):

(a) The Emergency Shelter Grant (ESG) program provides funding through block grants to state and local governments to finance capital improvements to and operating expenses of new and existing emergency shelters;

(b) The Transitional Housing program awards funds on a competitive basis directly to local service providers to finance the creation of housing and supportive services to assist in the transition from shelters to permanent housing;

(c) The Permanent Handicapped Housing program provides matching funds to state governments to house handicapped persons;

(d) The Supplemental Assistance program is awarded on a competitive basis to local organizations to provide innovative programs to assist the homeless; and

(e) The Single Room Occupancy ("SRO") program revives an existing HUD program to provide permanent housing to single adults.

(3) Health and Human Services ("HHS"):

(a) The Primary Health Care program awards grants to local organizations to provide general health care services directly to homeless persons;

(b) The Mental Health Block Grant program provides funding through block grants to state governments to provide community based mental health care services;

(c) The Mental Health Demonstration program funds pilot community mental health care programs;

(d) The Alcohol and Drug Abuse Demonstration program funds pilot alcohol and drug abuse programs; and

(e) The Community Services Block Grant provides funding to Community Action Agencies through block grants to state governments.

(4) Department of Agriculture ("DOA"):

(a) The Food Stamp Program was improved to remove barriers to participation by homeless persons; and

(b) The Temporary Emergency Food Assistance Program was expanded to provide increased commodities to homeless persons.

(5) Department of Education ("DOE"):

(a) The Education of Homeless Children and Youth program assures that homeless children will have access to public education; and

(b) The Adult Literacy program awards grants to state education agencies to provide literacy training and basic skills remediation to homeless adults.

(6) Department of Labor ("DOL"):

(a) The Job Training Demonstration program funds pilot programs to provide training and counselling to homeless adults; and

(b) The Homeless Veterans' Reintegration program awards grants to local governments on a competitive basis to counsel homeless veterans.

(7) Veterans Administration ("VA"):

(a) The Domiciliary Care program provides shelter for homeless veterans in VA hospitals.

B. Summary of Methodology and Results

The factual information contained in this report is based on interviews with federal, state and local government officials as well as local service providers. A network of service providers in 35 states was developed to monitor the use of McKinney Act funds. Reports were received from 22 of the states. This report includes a summary of written and oral reports provided to National Coalition staff by federal, state and local sources as of June 1, 1988.

Less than one year after passage of the Stewart B. McKinney Homeless Assistance Act, progress has been made toward meeting the emergency need for food, shelter, and health care among the growing number of homeless persons. Every program authorized by the legislation has been made available to the public. Ninety percent (90%) of the $350 million in funds appropriated in 1987 has been awarded by the federal agencies to public and private nonprofit entities. 1/ Fifty percent (50%) of the $246 million funds of the funds appropriated in 1988 has also been awarded as of this writing. (Appendices A and B chart funds already awarded by the agencies.)

McKinney Act appropriations have affected every state by creating new programs and sustaining existing programs to meet the survival needs of homeless persons. (Appendix C shows the dollar amount of McKinney Act funds awarded under each program to public and private nonprofit organizations in every state.) FEMA emergency food and shelter funds have been distributed quickly to local service agencies providing food, shelter and rent and utility assistance. HUD funds are already financing much needed capital improvements to shelters as well as the creation of transitional and some permanent housing. New primary and mental health care programs funded by HHS are providing services that had not previously been available to homeless persons.

Other programs have not made significant advances over the year since the Act was passed. Programs to increase the availability of food stamps have not progressed due largely to the failure of states aggressively to implement provisions of the McKinney Act. In addition, the Temporary Food Assistance Program is in danger of being discontinued because the surplus food supply has been depleted. Finally, education and job training programs will not be providing direct services until the summer's end.

Despite the positive contribution McKinney Act programs are already making to protect the lives of homeless families and individuals, federal emergency aid has failed to keep pace with the growing need for assistance. For example, emergency shelter funding for capital improvements and operating expenses failed to increase substantially shelter space which was already grossly inadequate when the McKinney Act was passed. Most of the funds were used to bring existing shelters up to minimum standards, for example, to install heating systems, floors, roofs, showers and lockers. The demand for FEMA emergency food and shelter funds is consistently twice the amount of the appropriations available to fund the program. Service organizations funded by FEMA spend their awards almost as soon as they are received. The few dozen Transitional Housing units created in most urban areas cannot begin to meet the need to move families with children out of shelters and into permanent housing. Requests for SRO permanent housing assistance, largely used to house homeless adults, were ten times the amount appropriated to fund the program. Mental health services funded by the Act can serve only a fraction of the homeless persons in critical need of mental health care.

The emergency circumstances which prompted Congress to pass the McKinney Act have persisted and escalated over the past year. The growth in numbers of homeless persons, especially families with children, shows no signs of abating. The total population, estimated at up to 3 million, continues to grow at the rate of 25% per year. Yet in the face of this overwhelming need for McKinney Act emergency assistance many programs were funded at greatly reduced levels in 1988; some were not funded at all. Moreover, absent Congressional action, the McKinney Act programs will expire after December 1988.

There can be no doubt that McKinney Act emergency assistance is urgently needed. Even with the benefit of new federal assistance, local service providers cannot begin to meet the needs of the growing numbers of homeless persons in their communities. The McKinney Act must be continued for the forseeable future at higher funding levels which realistically address the size and growth of the homeless population. However, this emergency aid cannot end the crisis of homelessness, but only mitigate its devastating impact. The cry for relief will not stop until federal funding for adequate affordable housing for low income persons is restored.

The following discussion reviews each McKinney Act program.

II. INTERAGENCY COUNCIL

By law HUD is required to convene a council of all the agencies to review, monitor, evaluate and recommend improvements to McKinney Act programs as well as to report annually to Congress. The "Interagency Council" met only once during the first five months after the McKinney Act was passed. On January 4, 1988 the Council hired an executive director, Cassandra Moore, to execute the Council's responsibilities. According to the new executive director, the Council, consisting of Secretary level staff, meets quarterly to discuss McKinney Act programs. These meetings consist mainly of receiving reports and reviewing the activities of the two "working groups" which have been formed and meet monthly to monitor and coordinate McKinney Act programs. One working group focuses on data collection for the Council's annual report to Congress. The other group concentrates on substantive issues and the creation of a network of field staff who are implementing McKinney programs. Interagency regional conferences will be held over the next year to facilitate communication among field staff on McKinney Act issues. The Council will also begin publication of a newsletter this month. 2/

While the level of reported activity at the Interagency Council has increased over the past year, there has yet to be evidence that effective monitoring, evaluation or coordination functions have been performed by the Council. As required by the McKinney Act, the Council issued a report to Congress in October 1987. This report failed to offer any substantive evaluation of the programs. Moreover, the Council staff cannot answer routine questions about the status of McKinney Act programs, such as the dates programs are announced, the dates applications are due,

the agencies' schedules for award of funds, the uses of and demand for McKinney Act funds, or the rate at which funds are spent locally and are drawn out of the federal treasury. Callers are frequently referred by the Council to organizations such as the National Coalition for the Homeless, the Conference of Mayors, or the National Governors' Association for this type of information. 3/ While these tasks are the primary responsibility of the Interagency Council, they are not being performed.

The National Coalition recommends that the Council be required to provide the public, Congress and the agencies with comprehensive information about all the programs on a monthly basis. The Council should also serve as an informational clearinghouse for persons seeking to participate in McKinney Act programs. Moreover, the Council should immediately begin to carry out its statutory mandate to monitor and evaluate the progress of McKinney Act programs, to improve coordination among the agencies, and to provide technical assistance to organizations seeking to apply for funding under the programs.

III. FEDERAL EMERGENCY MANAGEMENT AGENCY

A. Emergency Food and Shelter Program

1. Program Overview. The Emergency Food and Shelter program provides local nonprofit service organizations serving the homeless with funding for: (1) food, shelter and transportation; (2) emergency rent or mortgage assistance; (3) minor rehabilitation to shelter or food service facilities; and (4) the first month's rent to facilitate homeless individuals' move to permanent housing. The program is run by the nonprofit agencies which use the federal funding to provide services to the homeless. A national board composed of the director of FEMA and six national charitable nonprofit organizations distributes the funds, based on a formula, to "local boards" throughout the country. The local boards, made up of local nonprofit organizations, distribute the funding locally. 4/

2. Distribution of 1987 and 1988 Appropriations. On average FEMA distributes its emergency food and shelter appropriation within 105 days after the funds are made available. FEMA has already awarded and paid the $10 million appropriated to fund the program in 1987. The agency distributed its $114 million in 1988 appropriations in only two months' time. Less than half way through the calendar year, $90 million (76%) of FEMA's 1988 appropriations had already been paid to local providers of emergency services. 5/ The quick turn around and expenditure of FEMA funds reflects both the accessibility of the program and the dire need for the programs it funds.

3. Local demand for and use of funds. The Emergency Food and Shelter program has become essential to the survival of shelters across the country. Since the McKinney Act was enacted in July 1987, the demand for these funds has continued to increase, far exceeding the appropriations made available to fund the program. As of this writing, Emergency Food and Shelter

funds have virtually ceased to provide funding to expand the emergency resources available to assist the homeless in local areas. FEMA funds, at most, maintain the current level of services in the face of an ever growing demand for emergency assistance. The following information was reported by local service providers and advocates.

4. Summary of local reports:

California: In Los Angeles, $4.8 million in FEMA funds were made available, but the local board received 150 applications from local emergency service providers requesting $8.7 million. Ruth Schwartz, Shelter Partnership, Los Angeles, May 1988. In San Francisco, the local board tried to provide some level of funding to all applicants. FEMA is frequently the only source of federal funds for many shelter and food services. They usually receive only a few thousand dollars per year from FEMA and need that money desperately. The FEMA money allowed some agencies to perform much needed repairs and purchase equipment and supplies that had previously been unaffordable. Leon Zecha, Homeless Caucus, March 1988.

Delaware: "I am on the FEMA Board and experienced first-hand the difficulty in allocating emergency food and shelter funds when there is nowhere near enough to go around." Altogether Delaware localities received $394,000 to distribute. Local shelter, food and emergency service providers made requests for over $1 million. Ken Smith-Shuman, Delaware Coalition for the Homeless, May 2, 1988.

Georgia: There continues to be a very serious need for Emergency Food and Shelter funds in Georgia. The need has increased since the weather improved. "It's like this every year: when it gets warm, relatives who have allowed related families to sleep on couches and on the floor decide it's time they had some privacy. Also battered wives and children tend to leave abusive situations when the weather improves, thinking they have a better chance of making a go of it. To make matters worse, some shelters close in the warm weather because they cannot afford to remain open year round." Georgia agencies received $2.3 million in FEMA allocations over the past year. Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Illinois: In Chicago, 76 applications were received requesting $4.4 million. The local board distributed the $1.8 million available among 60 of the applicants. In Cook County, 31 applications were filed requesting $1.8 million. 25 were funded with the $1.2 million in available funds. Becky Groulx, Illinois State Support Center, May 2, 1988.

Kentucky: Kentucky emergency service organizations, which received over $2 million in FEMA funds last year, spend every dollar they get and always look to get access to money reallocated by FEMA. "Since there is no Emergency Assistance, we can wipe out every FEMA dollar faster than they give it to us. The agencies that provide emergency rent and security deposits spend their FEMA allocation within a week. Any time the dollars go straight to the streets, we spend the money as fast as we get it." Michelle Budzick, Kentucky Coalition for the Homeless, May 13, 1988.

Maryland: The FEMA program is critical to maintain shelters in Baltimore. The funds were spent for rent assistance, shelter maintenance and rehabilitation. The application is one page long and the program is administered locally by nonprofit service organizations which makes it extremely accessible and responsive to local needs. Alex Godda, Action for the Homeless, May 12, 1988.

Nebraska: FEMA funds are spent faster than any other homeless assistance in Nebraska. The money is essentially divided up among all the agencies serving the homeless in the area. "The 1987 supplemental funding was spent in a matter of a month; the 1988 money was gone within 4 months." Jim Blue, Nebraska Coalition for the Homeless, May 4, 1988.

New York: The local FEMA board in New York City divided the funds available among the applicants based on need. "Even though many of the individual awards were small, they were badly needed." stated Vincent Riley of the Society of St. Vincent De Paul. "The $9,000 [the St. Vincent De Paul] shelter received was nothing short of a Godsend." New York received $7.5 million in FEMA funding last year. Jessica Marshall, New York Coalition for the Homeless, May 12, 1988.

Ohio: Approximately 86 county or regional boards disbursed $6,339,804 in FEMA money to local providers and agencies. The Ohio Coalition for the Homeless is currently studying the extent to which these funds are serving the homeless in Ohio. Advocates there believe that disbursement based on food stamp data rather than unemployment data would more accurately reflect the need for FEMA funds around the country. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Pennsylvania: There is an extremely high demand for FEMA food and shelter funds. The local board in Philadelphia has essentially cut off the pool of applicants because otherwise it would have to decrease the funding to existing applicants to an unreasonably low level. Pennsylvania received over $4 million in FEMA funds last year. Jane Malone, Director, Services to the Homeless, City of Philadelphia, May 16, 1988.

Tennessee: The $2.6 million in FEMA money Tennessee received last year was already spent before it arrived. Local service providers depend on their small award from emergency food and shelter funds for their survival. Kate Monaghan, Council of Community Services, May 10, 1988.

Virginia: Every local agency serving the homeless in Richmond receives FEMA funds each time they are made available. It is local service providers' only reliable funding source. "Our shelters would all be in danger of closing if it were not for the small grants they receive from FEMA." Last year the state received $1.7 million in FEMA funding. Sue Capers, Virginia Coalition for the Homeless, May 2, 1988.

Wisconsin: The state received over $2 million in FEMA funds last year. Those funds are crucial to the existence of shelters in the area. "FEMA is the last gap filler. The shelters sit down with the FEMA funds and give each shelter a grant equaling a certain percentage of the shelter's deficit for that year. We need twice the amount we currently get from FEMA to keep our shelters afloat. This also means that we are not adding new services; there should be a whole array of social services surrounding the existing shelter system to help people find a way out of the system. The FEMA money also supports our food network. One half the allocation goes to 100 different food pantries, which are currently experiencing critical shortages of food." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

IV. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

A. Emergency Shelter Grant Program

1. Program overview: The Emergency Shelter Grant (ESG) program is a block grant program designed to fund two activities: (1) the expansion of existing emergency shelters by funding the rehabilitation and renovation of existing shelters and the conversion of new buildings to use as shelters; and (2) the provision of services for residents of emergency shelters by funding operating and social service expenses. ESG funds are allocated to the states and 322 entitlement cities and counties based on the 1986 Community Development Block Grant formula. States award their grants to local governments, which, along with the 322 entitlement cities, may use funds for

programs they wish to run themselves or may award the funds to private nonprofit service providers. 6/ In either event, local governments must award or "obligate" their allocation to a service provider within 180 days after HUD approves a local government's application to receive its allocation. 7/

2. Distribution of funds:

(a) 1987: HUD set an unreasonably long schedule in 1987 for the obligation of ESG funds by local governments which delayed delivery of emergency shelter services to homeless persons. Although all $50 million in 1987 funds has been awarded as of this date, it took as much as nine months for states and cities to obligate their grants to service providers under HUD's timetable. Moreover, HUD was not monitoring local governments' obligation and use of ESG funds or the rate at which ESG funds were spent in any consistent manner. 8/

(b) 1988: The agency has still not acted aggressively to expedite the lengthy obligation schedule cities may follow to award ESG funds. HUD sent a written request to all state and local governments receiving ESG funds urging them to expedite their award of ESG funds, but has not formally shortened the obligation schedule. 9/ As a result, state and local jurisdictions are not required to obligate their portion of the $8 million in 1988 ESG funds appropriated in December 1987 until October 1988.

HUD has made some improvements in its monitoring function since the 1987 funding cycle. The agency has begun to monitor the obligation of ESG funds, but still does not track the use of or need for ESG funds locally. HUD has also begun regularly to track the rate at which local service providers are reimbursed from the federal treasury for their expenditures, but does not follow the rate at which funds are spent by local grantees.

3. Local demand for and use of funds: Every locality experienced tremendous excess demand for ESG funds. Many local governments no longer use a competitive grant award process and simply divide the available resources among existing shelter providers to finance desperately needed repairs and to pay operating expenses. Moreover, rural areas have still not been significantly affected by ESG funds to date. In those areas which received ESG funds, local grantees are already providing much needed shelter and services around the country. ESG funds have played a critical role in bringing existing shelters up to minimum standards of habitability and have, at times, funded the creation of additional shelter space and new programs.

4. Summary of local reports:

California: In Los Angeles, $1.3 million was made available for distribution by the City, which received 68 applications requesting $8.7 million. Obviously there were insufficient ESG funds to meet the need for shelter renovation and operating expenses in this area. Ruth Schwartz, Shelter Partnership, Los Angeles, May 1988.

San Francisco received over $300,000 in ESG funds. Altogether 20 applications were submitted requesting $800,000. The funds largely financed much needed basic repair and renovation; for example, they were used to replace a leaking roof at the Diamond Youth Shelter; to renovate dilapidated toilet and shower facilities; to install lockers for personal belongings and an awning to

protect homeless clients waiting to enter the St. Vincent de Paul Shelter; to install a wall separating men from women and wall and ceiling insulation from the elements at the Episcopal Sanctuary; to install a heater in the sleeping area at Delores Housing where there had been no heat; to hire a new coordinator to open the Haight Ashbury Family Shelter at 4: 30 pm each day instead of 8:00 pm; and install two handicapped chair lifts to assist homeless persons with AIDS at the Shanti project in reaching the upper floors of the shelter.

Some of San Francisco's funds were designated to provide services for homeless people, e.g., the Salvation Army hired a social worker to assist employable homeless men in finding jobs; the Diamond Youth Shelter hired a part-time coordinator to provide support services for Latino Youth by offering bilingual case management, referrals to vocational services, and crisis intervention. Leon Zecha, Homeless Caucus, March 1988.

Connecticut: $324,000 was allocated to the state which distributed the funds among 8 cities in grants of $41,000; the cities in turn distributed the funds to local service providers. There were also five entitlement cities in the State: Hartford spent most of its $66,000 renovating the city shelter and distributed the rest to existing shelters on a per bed basis; New Haven allocated its $64,000 to pay for insurance and operating costs in its shelters; Bridgeport spent its $59,000 on expansion and renovation of a shelter; Waterbury spent $35,000 on equipment; and New Britain defrayed operating costs with its $28,000. "The immediate need for shelter funds is tremendous. The state and local governments pay $7 per bed per night to Connecticut shelters, which is approximately 1/2 to 1/3 of the actual cost of providing shelter. The federal money falls far short of making up the difference. Moreover, there is a critical, emergency need for more shelter space in the state, but the ESG funding cannot even keep existing shelters running." Jane McNichol, Connecticut Coalition for the Homeless, May 2, 1988.

Delaware: The State received about $150,000 altogether which was awarded to 10 shelters in grants ranging from $7,000 to $28,000. Ken Smith-Shuman, The Salvation Army in Wilmington, May 2, 1988. The immediate need for shelter space in Delaware is great, especially space for families which account for one third of the homeless population in Delaware. New shelter programs should be established in rural areas that are now seriously under-served: Southern New Castle County and the Ocean resort area of Sussex County. Homelessness in Delaware, Pequet and Leland, University of Delaware, 1988.

Georgia: 40 Atlanta shelters were awarded operating funds of $5,000 each. "Obviously this is a drop in the bucket compared to the real need for shelter assistance. The state simply divided the available funds among existing facilities, thus the funds are merely helping us stay afloat and failed to add any substantial improvements or new bed space." Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Illinois: In Cook County 9 applications were filed requesting $245,402 in funds. Seven applicants were funded with the available $178,000. The need for emergency shelter shows no signs of abating. Requests for funding have continued to multiply ever since the program began. Since there are virtually no administrative or salary funds available, there's simply no doubt that the demand for shelter funding represents the desperate need for shelter assistance. One grant was paid to the Pauline Feeding and Shelter Program for homeless families, the only shelter in South Suburban Cook County. An emergency shelter in Des Plaines was awarded funds to provide emergency rent and utilities assistance as well as emergency 24 hour shelter, hot meals, and housing counselling. In addition, a domestic violence crisis center serving ten townships received an emergency shelter grant. Becky Groulx, Illinois State Support Center, May 2, 1988.

In Chicago, 37 applicants applied for $2.8 million in emergency shelter funds. Thirty-one of the applicants were funded with the $1.4 million available to Cook County for emergency shelter grants. Over $150,000 was awarded to city shelters to provide comprehensive services. The City Department of Health received nearly $300,000 to provide shelter and rehabilitation for persons with substance abuse problems. The project expects to serve 250 clients per year and incorporates therapists, counselors and physicians as well as 24 hour nurses. Travelers Aid received a sizeable

award to rehabilitate and maintain a children's shelter, the Neon Street Dorms. Becky Groulx, Illinois State Support Center, May 2, 1988.

Iowa: Shelters have been able to continue their work and expand services because of the McKinney Act emergency shelter grant funds. Although the funds have alleviated the financial struggle for local shelters somewhat, still more money is needed. In Des Moines the demand for shelter grant funds was six times greater than the available dollars. The State of Iowa received $545,000 in ESG funds last year. Bob Cook, Des Moines Coalition for the Homeless, May 10, 1988.

Maryland: The City of Baltimore received 22 applications requesting $673,978, nearly twice the amount the City had available. Priority for capital grant funds was given to organizations which had not previously received funds under the City shelter grant program. Operating funds were distributed as widely as possible. Some new, innovative programs were also funded. For example, one grant was given to Wenceslaus House to develop an employment counselling program for homeless men. The Fellowship of Lights received grants for two projects, one to shelter battered and abused girls ages 14 to 18 temporarily in the hope that family counselling may make it possible to reunite them with their parents. The other project will shelter runaway youths and provide crisis intervention in the hope of reuniting them with their parents. Alex Godda, Action for the Homeless, May 12, 1988.

Minnesota: Emergency shelter grant funds in Minnesota were used in part to improve conditions in existing shelters. For example, showers, heating and lockers have been installed. Sixty-five new beds were also added with ESG funds. According to local advocates, more money is needed just to maintain shelters at their present capacity and to increase supportive services. The State of Minnesota received $460,000 in ESG funding during the past year. Pat Leary, Department of Jobs Training, May 17, 1988.

Nebraska: Omaha has awarded its ESG money to applicants which will add much needed services to the area as well as improve shelter conditions and increase shelter space. Among other things the money will fund a detoxification program and a rent assistance program. The state received $236,000 in ESG funds over the past year. Jim Blue, Community Alliance, May 4, 1988.

New York: New York City did not use a competitive process to award ESG funds. It allocated the money for repairs to two of the City's 36 HRA shelters, Catherine Street (a women's shelter) and the Forbell family shelter. "The need for repair and renovation funds is overwhelming. The $3 million the City got is a fraction of what they need. All the city shelters are in desperate need of repair." Last year the State of New York received nearly $1 million in ESG funding to distribute. Jessica Marshall, New York Coalition for the Homeless, May 12, 1988.

Ohio: The State received $2,833,000 in emergency shelter grant funds. Throughout Ohio shelter providers were able to improve their facilities, operations and services in ways that would never have been possible without ESG assistance. For example, the Salvation Army in Zanesville now provides day-care services for homeless children while their parents look for work or try to find permanent housing. Prior to receiving McKinney funds, the Samaritan House in Lima suffered flooding and plumbing problems. Repairs have now been made. St. Vincent's Hospital in Dayton would have been forced to close its doors were it not for emergency shelter grant funds. Finally, the Drop-in Shelter in Cincinnati has built an addition to its facility for an extended non-medical detox live-in program for chronically alcoholic homeless people. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Pennsylvania: "In Philadelphia we are all committed to permanent housing. It is hard to get anyone excited about a shelter program. Yet the reality is that we desperately need the shelters. There are 40 sites with over 50 beds and 100 smaller shelters in Philadelphia. All of our shelters are crying out for help in meeting their operating expenses." The State of Pennsylvania received $1 million in ESG funds last year. Jane Malone, Director, Services to the Homeless, City of Philadelphia, May 16, 1988.

Rhode Island: In Rhode Island, the town of Woonsocket now has its first homeless shelter in operation due to McKinney Act funding. Providence service providers are renovating a building which will double the shelter space available to homeless families. The State of Rhode Island was allocated $110,000 altogether from the ESG program. Linda Barden, Rhode Island Coalition for the Homeless, April 28, 1988.

Tennessee: Emergency Shelter Grant funding encountered difficulties in Tennessee. The state was reluctant to provide matching funds and many shelters were found ineligible for funds because of their religious affiliations. The funding is badly needed nonetheless. Restrictions on the use of McKinney Act funds which prevent organizations with religious affiliations from participating in the program should be lifted and matching funds requirements should be reduced to make these funds more readily available to Tennessee shelters. Kate Monaghan, Council of Community Services, May 10, 1988

Virginia: All the 1987 ESG money has been awarded and service providers have received their notice of award, which means that they can present their notices to contractors who will begin work. Twenty projects were funded with Richmond's ESG funds. The development of new space was given priority over modernization and rehabilitation due to the tremendous need for shelter space -- one-third of the persons requesting the most basic services are turned away in Virginia, and some areas of the State have no shelters. In all, the State of Virginia received $589,000 in ESG funding last year. Sue Capers, Virginia Coalition for the Homeless, March 23 and May 2, 1988.

Wisconsin: About half of Wisconsin's ESG funding was designated for basic rehabilitation and renovation of area shelters, for example, replacing roofs and installing furnaces. The other half of the grant was awarded to pay for basic operating expenses in the shelters such as utilities and rent. The State of Wisconsin received $268,000 in ESG funding last year. Joe Volk, Task Force on Emergency Shelter Relocation, May 2, 1988.

5. Recommendations: HUD should be required to collect information about the nature of projects funded by the program, the rate at which funds are spent by grant recipients, and the need for funds on the local level. The agency should also expedite its award process to assure that funds are distributed within 120 days after they are made available by Congress.

B. Transitional Housing

1. Program overview: The transitional housing program was established to provide temporary housing for homeless persons coupled with supportive services which would assist them in moving into permanent housing and independent living. The program is targeted at deinstitutionalized and mentally disabled persons as well as families with children. HUD awards transitional housing grants directly to public and private nonprofits through a competitive grant award process. 10/

2. Distribution of funds:

(a) 1987: Of the $65 million appropriated in 1987, $30 million was designated for housing mentally ill and disabled persons, $15 million was designated for housing families, and $20 million for any segment of the homeless population. 11/ The agency made a lengthy application form for funds available at HUD offices in Washington, D.C., on September 3, 1987. 12/ Interested applicants had less than two months to obtain an application form, compile the necessary

information and documentation, and file their completed applications. Among the documentation required by HUD were signatures from state and local government officials regarding zoning, historic preservation and other issues, unconditional commitments for matching funds, and legal control of the site where the proposed transitional housing will be located. 13/ Local providers universally criticized the difficulty and length of the HUD application form. Many interested applicants around the country attempted to participate in the program but could not complete the application form.

Nonetheless, 250 nonprofits around the country filed applications seeking over $100 million in funding. HUD awarded 1987 funds to nonprofits on December 23, 1987, five months after funds were made available. 14/ However, HUD failed to award all $10 million of the $30 million set aside to house mentally ill and disabled persons. While the agency received $31 million in applications to serve this population, only $20 million was awarded by HUD. 15/

(b) 1988: HUD added the remaining $10 million in 1987 funding to the 1988 appropriation of $65 million which was made available to interested applicants by a notice dated February 16, 1988. 16/ HUD allowed applicants three months to complete their applications. The agency distributed over 3,000 copies of the application form to interested nonprofits, three times the number distributed during the 1987 funding cycle, and received 276 completed applications requesting over $155 million in funds. Applicants seeking over $55 million are competing for the $30 million available to serve the mentally ill population. 17/ The agency expects to award funds by August, 1988.

3. Local demand for and use of funds: Meanwhile, transitional housing programs funded with the 1987 funds have sprung up all over the country. In the opinion of service providers, this new housing assistance has come none too soon. Unfortunately the program cannot meet the need for transitional housing at current spending levels. While the program has financed as many as several dozen units in some states to date, the available units cannot begin to serve the need to move homeless individuals, families with children, elderly and handicapped persons living in these states out of shelters while they make the transition into permanent housing.

4. Summary of local reports:

Arizona: The State received transitional housing grants of over $800,000 to serve homeless families. Two such facilities will be funded; one will focus on victims of domestic violence, by providing the housing and services necessary to move from homelessness to independent living. Fred Karnis, Community Housing Partnership, May 23, 1988.

California: California received 13 transitional housing grants for over $5.5 million to serve 69 families and 62 unrelated individuals. For example, in Berkeley a transitional facility is opening to house families with female heads of households. In Larkspur new transitional housing for families is being renovated. A nonprofit in Los Angeles is using its grant to provide housing and supportive services and life skills training to homeless individuals to help them move to independent living. In Santa Clara County, a coalition of nonprofits has developed transitional housing for homeless persons with mental disorders which is connected to a nearby farm where a work therapy day program is available. Ruth Schwartz, Shelter Partnership, May 25, 1988.

District of Columbia: The District of Columbia received four transitional housing grants for $3.1 million to serve 103 unrelated individuals. Among other things, the funds will be used to finance the operation of two three story homes serving mentally ill homeless persons; and the rehabilitation of an apartment building to house, counsel, and support runaway youths. Colleen Harrington, National Coalition for the Homeless, May 26, 1988.

Georgia: Projects in the state received over $800,000 in grant money. "Whatever you want to call it, transitional or permanent, we need it. There's no housing, period, in Atlanta. The new transitional housing is the only thing we've got besides shelters. One program funded in Atlanta will provide 23 bedrooms in an apartment building for use as transitional housing." Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Illinois: Twelve transitional housing projects were funded in Illinois with over $6.4 million in federal grants to serve 215 unrelated individuals and 54 families. For example, in Quincy and Manteno two structures will be renovated to provide transitional housing and supportive services to ex-servicemen and their immediate families; Travelers Aid in Chicago has developed transitional housing and comprehensive services for homeless youths with its grant; and the Community Mental Health Council developed a three story apartment building to serve deinstitutionalized mentally ill persons. Becky Groulx, Illinois State Support Center, May 21, 1988.

Kentucky: "Kentucky did not receive any of the 1987 transitional housing grants. The need for transitional housing in Lousiville is tremendous. Here there is intense pressure for some kind of new housing. We have a lot of evictions and here in the mountains there is the poorest kind of housing. People are living in shacks and animal quarters." Sue Speed, Louisville Coalition for the Homeless, May 16, 1988.

Maryland: The Housing Authority received a $473,000 grant to operate four transitional housing facilities which can serve nine families or 30 individuals who have been evicted by court order, fire or other conditions. Alex Godda, Action for the Homeless, May 12, 1988.

Minnesota: The State received one grant for $200,000 to provide transitional housing and supportive services to 15 single mothers and children. Pat Leary, Department of Jobs and Training, May 17, 1988.

Nebraska: "Transitional housing is needed badly. There is a severe shortage of decent affordable housing here and the shelters here are always full. Transitional housing gives people a chance to put their lives back together and get access to social services and hopefully go back into permanent housing stronger and more stable." Nebraska received one transitional housing grant for $110,000, which will house ten families. Jim Blue, Community Alliance, May 4, 1988.

New York: Nonprofits in the state received $3.8 million in transitional housing grants. The Northern Manhattan Improvement Corporation received a grant to pay rent for 10 families and 10 single people as well as intensive services. The program is aimed at moving people to independent living situations. Jessica Marshall, New York Coalition for the Homeless, May 12, 1988. A New York City foundation is rehabilitating three buildings to provide housing for 11 families and 50 individuals along with job training, comprehensive services and food assistance. The New York City HRA received a grant to provide a home and services to 12 homeless youth. A Syracuse nonprofit received a grant to convert a commercial building into transitional housing for homeless people with chronic psychiatric disabilities. Comprehensive services, counselling and training will be provided at the site. Fred Griesbach, New York Coalition for the Homeless, May 9, 1988.

Ohio: The State received seven transitional housing grants for nearly $1.9 million. Altogether the projects funded can serve 27 families and 64 unrelated individuals. The target population for these transitional funds include handicapped adults in Cincinnati, domestic violence victims in Columbus, and the homeless mentally ill in Columbus and Toledo. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Pennsylvania: Four projects serving 18 families and 16 individuals were funded with $1.5 million in grants. The projects for individuals will serve chemically dependent women in Reading and mentally disabled persons in Philadelphia. Projects to serve families were developed in Braddock and Philadelphia. Jane Malone, City of Philadelphia, May 1988.

Virginia: "The need for transitional housing is tremendous. We studied the situation carefully during the first six months of 1987. In Virginia 29,000 people came through the 41 shelters we surveyed, 4,900 people were turned away because there was no space. Also the average stay in our shelters is increasing. We are simply ruining peoples' lives, especially the children, by leaving them in shelters." Sue Capers, Virginia Coalition for the Homeless, March 23, 1988. One Virginia project was funded for $857,500 to operate 18 units of transitional housing for families in Fairfax County.

Wisconsin: "We have a huge need for transitional housing. For example, in Milwaukee we have 600 shelter beds but only 14 units of transitional housing. There basically are no transitional services available to our homeless. Moreover, everyone is limited to a 30 day stay in our shelters, so, for example, an AFDC mother has one AFDC check in the shelter and is expected to find the resources to return to permanent housing. It is not surprising that 15 to 20% of our shelter residents who leave become homeless again within a year." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988. Three Wisconsin projects were funded for $1.5 million to serve less than 100 individuals.

5. Recommendations: HUD should take steps to assure that all funds are distributed under this program and that local nonprofits are able effectively to compete for funding. For example, the agency should simplify its application by eliminating the requirement that applicants demonstrate legally binding site control and local government support. The agency should also increase technical assistance to applicants and assist applicants after their applications are submitted to help them meet eligibility requirements.

C. Permanent Housing for the Handicapped

1. Program overview: A small sum was made available under the McKinney Act to develop permanent housing for handicapped homeless individuals. Only units of state and local government were authorized by law to compete for the $15 million 1987 appropriation and were required to match HUD funds dollar-for-dollar. 18/

2. Distribution of funds: HUD allowed the potential applicants five months to submit applications for this program. HUD received 57 applications from 24 states but the applicants requested only $5 million from the program. The agency will likely grant all of the requests. 19/

The agency has already notified all governors of the shortage of applications for this program and that $10 million remains to be awarded. The agency will issue a notice in late June, 1988, requesting applications for both the remaining funds and the $15 million appropriated for 1988. 20/

Reports show that state governments were either unable or unwilling to meet the matching funds requirement for this program. While most McKinney Act programs require that matching funds be provided by the applicant, the permanent housing program is the one of only two discretionary grants which exclude direct participation by private nonprofit entities.

2. Recommendations: The program should be expanded to allow private nonprofits to apply directly for the funds to assure that the program is made available to homeless handicapped persons expeditiously.

D. Supplemental Assistance for Facilities to Assist the Homeless (SAFAH)

1. Program overview: The SAFAH program was added to the McKinney Act to compensate for shortages in funding under the ESG and transitional housing programs and to fund innovative programs which were not specifically authorized by any other program. Public and private nonprofit entities were eligible to apply to HUD for funding under this program. 21/

2. Distribution of funds: $15 million was appropriated to fund the program in 1987. Two hundred and thirty-two applicants seeking over $75 million in funding applied for the 1987 program. Although the statute set a specific deadline for distribution of the funds, HUD refused to comply with this requirement. The agency awarded all of its funds one month after the date required by the Act only after a lawsuit was filed by the National Coalition for the Homeless. No funds were appropriated for SAFAH in 1988 despite the exceptionally high demand for these funds in 1987. 22/

3. Local demand for and use of funds: The SAFAH program funded a wide range of new programs. The sample of SAFAH projects described below show that the funds are meeting basic survival needs which could not be met by the other more structured McKinney Act programs.

4. Summary of local reports:

Arizona: Two Arizona nonprofits received $415,000 in SAFAH grants to renovate twelve units of transitional housing for families and a temporary shelter. Fred Kamis, Community Housing Partnership, May 18, 1988.

California: Four nonprofits in California received $1.8 million in SAFAH grant funds to provide residential recovery programs to alcoholics in Alemeda County; to develop a systematic case management program for homeless families in Los Angeles; to provide shelter and advocacy services to 35 individuals at any one time in Santa Monica; and to provide transitional housing, child care and other support services to families in Ukiah. Leon Zecha, Homeless Caucus, May 1988; Ruth Schwartz, Shelter Partnership, May 1988.

Georgia: Two projects were funded in Georgia with over $350,000 in grants. In Atlanta the funds are being used to convert and operate abandoned school property as transitional housing and a support services facility for families. A project in Decatur is using SAFAH funds to provide day care, after school care and health care for children while their parents are at work or are forced to leave the various overnight shelters. Anita Beatty, Atlanta Task Force on the Homeless, May 1988.

Illinois: Two projects were funded in Illinois with $700,000 in grant money. The Neon Street Dorms, a Chicago children's shelter, received a $353,253 grant to fund the Neon Center to provide educational, vocational, skills, and independence training for young adults; and Catholic Charities received funding for its project to provide transitional housing and support services to families with children. Becky Groulx, Illinois State Support Center, May 11, 1988.

Kentucky: Louisville received a SAFAH grant for over $500 thousand to provide support services, including family and personal counselling, child care, relocation assistance and transportation, and outpatient health care to homeless families and single women. Sue Speed, Louisville Coalition for the Homeless, May 16, 1988.

New York: New York received three SAFAH grants for $1.8 million. (1) A nonprofit in Middletown is providing transitional housing in an old hotel for women and children which is coupled with a self sufficiency program. After completing the program the women are placed in jobs and permanent housing. (2) The New York City HRA received a grant to open three drop-in centers to reach people on the street who are unable or reluctant to get formal help. The drop-in center staff will be assisted by street outreach teams who will go to subways, soup lines, and other locations where homeless people are found to try to link them with essential services. The drop-in center will also provide light meals and hygenic services. (3) A nonprofit in Yonkers received a grant to provide intensive support services to over thirty families, including 45 to 60 children, every day. Fred Griesbach, New York Coalition for the Homeless, May 9, 1988.

Pennsylvania: Nonprofits in Pennsylvania received two SAFAH grants for just over $1 million which are being used to provide support services to victims of domestic violence in 13 counties; to provide transitional housing to families at various sites which are integrated into the community and to provide support services, for example, child care, job training, family development, housing counselling and transportation. Phyllis Ryan, Pennsylvania Coalition for the Homeless, May 1988.

Tennessee: The Nashville/Davidson County health department received nearly $400,000 to create a multi-service center in downtown Nashville located near several shelters and a health care clinic for the homeless. The center provides comprehensive services including day shelter, employment services, social services counselling, and personal hygiene facilities. Kate Monaghan, Council of Community Services, May 1988.

E. Section 8 Single Room Occupancy

1. Program overview: The McKinney Act provided new funding for one existing permanent housing program, Section 8 Single Room Occupancy (SRO) housing. 23/

2. Distribution of funds: The 1987 program, funded with $35 million, was structured to create 1,000 units. Not surprisingly, the demand for funding was overwhelming. HUD allowed applicants five weeks to submit an application for funds which included contract commitments. According to HUD, given the short time frame, only proposals on the drawing board before the notice was published could possibly meet the short deadline, which HUD would not extend. Nevertheless, HUD received 100 applications for $350 million in funding to create 10,000 new units. 24/ Despite this tremendous demand for funding, Congress did not refund the SRO program in 1988.

3. Local demand for and use of funds. The need for SRO housing cannot be overstated. There is general agreement around the country that the loss of SRO housing has contributed greatly to the number of homeless persons nationwide. The primary occupants of this type of housing, single adults, have no other source of affordable housing and frequently are ineligible for federal assistance. Once this housing is lost, these persons often end up in shelters or on the streets.

4. Summary of local reports:

Arizona: Arizona received a grant of $1.8 million to increase its stock of SRO housing by 46 units. Fred Karnis, Community Housing Partnership, May 18, 1988.

California: California received one grant for $1.9 million which will be used to renovate an old church which will become a model facility to house 33 AIDS patients with substance and alcohol abuse problems. Leon Zecha, Homeless Caucus, March 1988.

Connecticut: "We did not receive any SRO funds, but the need for the funding is overwhelming. This type of housing is disappearing rapidly and the former and potential occupants end up in the shelters. SROs serve primarily a single adult underemployed population which is generally not eligible for federal assistance." Jane McNichol, Connecticut Coalition for the Homeless, May 2, 1988.

Georgia: "Atlanta received $2.7 million in funding to create 100 new units but this does not come close to meeting our local need for SRO housing. The City lost 2,000 units over the past ten years. This loss has contributed greatly to the homelessness problem in Atlanta. Many single adults now living in shelters could only afford permanent housing in an SRO dwelling." Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Kentucky: "Jefferson County received a $1.5 million grant to provide 56 units of SRO housing. In Louisville, we got funding for 4 units for adult men. We're grateful for this, but sometimes the level of assistance seems almost laughable -- there are 3,500 homeless people in the City to fill those four units!" Sue Speed, Louisville Coalition for the Homeless, May 10, 1988.

Maryland: No one in Maryland received funds from the SRO program. "The money, however, is needed desperately. In Baltimore there are currently five residential hotels which have 115 SRO units. Over the past decade there has been a major decline in the number of SRO hotels because of redevelopment and upgrading of aging residential areas. In fiscal year 1987, 21,098 homeless people were served in shelters in Baltimore City, yet over 15,000 people were turned away. At the current rate of increase in homelessness in Maryland, the Maryland Housing Commission estimates that within four years the state will have a shortage of 38,900 units for households earning under $10,000. While SRO housing is not the answer for all homeless persons, particularly families, an increase in the number of SRO units would go a long way in alleviating the crisis of homelessness in Baltimore because it is the only type of permanent housing many homeless persons can afford." Alex Godda, Action for the Homeless, May 12, 1988.

Minnesota: The Duluth Housing Authority received $1.8 million in grant funds to provide 60 new SRO units. The SRO funding permitted the addition of 60 new SRO units which otherwise would have gone for other uses. Pat Leary, Department of Jobs and Training, May 17, 1988.

Nebraska: Nebraska did not receive any funding for SRO housing under the Act. "We've lost 13 hotels downtown since 1970, there's only 3 hotels left that provide housing suitable for single adults but they are in 'flop house' condition. The only housing left for that population are shelters." Jim Blue, Nebraska Coalition for Homeless, May 4, 1988.

Pennsylvania: "Anywhere from 4,000 to 10,000 people per day need SRO housing in the City. We don't have it. The McKinney Act funds will provide only 90 new SRO units in Philadelphia." Jane Malone, City of Philadelphia, May 16, 1988.

Virginia: Richmond has lost 42% of its SRO housing in the last two years. "As a result people are on the streets, in shelters, abandoned buildings and in cars. When the buildings are gone the people are still there. There is a crying need for SRO housing in this City." Sue Capers, Virginia Coalition for the Homeless, May 2, 1988. Virginia did not receive any SRO funding from McKinney Act appropriation.

Wisconsin: "We lost 1,200 units, 30% of Milwaukee's SRO stock, during the last eight years. This loss has contributed heavily to pushing people onto the streets and into shelters." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988. Only 10 new units of SRO housing will be provided with McKinney Act funds in Wisconsin.

V. DEPARTMENT OF HEALTH AND HUMAN SERVICES

A. Primary Health Care

1. Program overview: The McKinney Act created a new program to fund primary health care for homeless persons. Public and private nonprofit entities were eligible to apply for health care grants. The statute required applicants to assure that health care would be provided at locations convenient to the homeless population. 25/ Applicants were also required by the Health Resources Services Agency (HRSA) of HHS to organize local coalitions to participate in their proposed health care projects to encourage community support and to incorporate existing resources to the extent possible. 26/

2. Distribution of funds.

(a) 1987: HRSA announced the program almost immediately after it was authorized, and awarded the $46 million in 1987 appropriation within four months after the Act was passed. 27/ The agency received 146 applications requesting $188 million in funding. 28/ Once the applications were submitted, HRSA provided technical assistance to applicants to help them meet the program's requirements. The agency divided the available funds among 85% of the applicants. As a result, health care programs have been established in nearly every state. 29/

(b) 1988: Despite the success of this program, and the increasing need for health care services, only $14.3 million was appropriated for 1988. These funds will be awarded to the existing grantees.

3. Local demand for and use of funds: This program, which provides previously unavailable services, is essential to the survival of homeless persons. While life in the streets or in shelters is fraught with health dangers, in the absence of such services, homeless persons must go without the most basic health care. Yet serious unmet health care needs remain despite the expeditious and efficient working of this program. Due to funding limitations, only a small fraction of the projects funded under this program were located in communities outside major urban areas. Moreover, unless substantial additional funding is appropriated, existing projects will be discontinued.

4. Summary of local reports:

Arizona: In Tucson, three health clinics will now be providing health care services for the homeless, as a result of McKinney funding. A substance abuse program is also being planned. Fred Karnis, Community Housing Partnership, May 19, 1988.

Connecticut: Four Connecticut cities received grants to establish primary health care sites -- Hartford, New Haven, Bridgeport, and Windsor. "The programs are essential to the survival of homeless persons. No other realistic alternative health care is available for the population, who were previously receiving whatever health care they did get at emergency rooms. The most exciting thing about the program is that the health care is brought to the people. For example, in Hartford, the funds support on-site screening and referral run by the University of Hartford." Jane McNichol, Connecticut Coalition for the Homeless, May 2, 1988.

Delaware: The need for primary health care cannot be overstated. It is needed to reverse the State's infant mortality rate. No primary health care funds were awarded to any organizations in Delaware. Because funding for the program was severely cut in the 1988 appropriation, no one in the State has had a second opportunity to establish a primary health care program. Homelessness in Delaware, supra.

Florida: A Miami shelter, Camillus House, took the lead in building a coalition to provide health care to the homeless of Miami. The coalition building process has drawn a tremendous outpouring of volunteer doctors and nurses to screen patients on-site in the evenings. The University of Miami is rotating a medical student through the shelter. The program provides health care services to hundreds of people per week. Beth Sackstein, Miami Coalition for the Homeless, April 27, 1988.

Georgia: "The Primary Health Care program brought people together to do some really great things. Since it is necessary to build a coalition of service providers and health care professionals to win a grant, the proposal naturally evolved to take fuller advantage of existing resources, encourage volunteerism and innovative ideas, and increase public awareness. The program has linked the shelters with eight existing low income clinic sites and three mobile units and a coordinating entity. The CDC [Center for Disease Control] is also working with us to track the health histories of the homeless. It is already clear that being homeless necessarily shortens your life span significantly. At a recent meeting with the local AMA [American Medical Association] a new sense of moral responsibility emerged from the medical community as they became more aware of the health problems of the homeless. They seriously questioned the ethics of discharging a homeless person from hospital care knowing the health risks they face. The doctors in Atlanta are prescribing housing!" Anita Beatty, Atlanta Task Force on the Homeless, May 12,1988.

Iowa: In Iowa, nearly $400 thousand in primary health care funds will be used to set up clinics for the homeless in Des Moines, Waterloo, Council Bluffs, and Davenport. Bob Cook, Iowa Coalition for the Homeless, May 10, 1988.

Kentucky: In Northern Kentucky, there is no health care for the homeless. The local clinic was "scared off from applying for the primary health care grant. They said they didn't have the manpower to deal with the number of homeless in our area. They also felt they could not cope with the mentally ill homeless. While I don't approve of their reaction, I guess I understand it. It really comes down to money, if there were sufficient funds the clinic might be persuaded to take on the homeless, but the problem has gotten so far out of hand. We are forced to drive our people across the river to Cincinnati for health care and psychiatric services." Michelle Budzick, Northern Kentucky Coalition for the Homeless, May 13, 1988.

"In Louisville our day center is running a full time health clinic. The Day Center had been providing services on a volunteer basis, including legal and social services as well as health care. We still have the volunteer health clinic but now we have a paid staff to extend the usefulness of our volunteer staff. We have a nurse there full time every day, and a doctor on duty for a few hours every day." Sue Speed, Louisville Coalition for the Homeless, May 16, 1988.

Maryland: Health Care for the Homeless in Baltimore City received an $800,000 grant which is being used to establish programs in Prince Georges and Montgomery Counties as well as in Baltimore. The programs will focus on alcohol and drug abuse treatment and outreach. Alex Godda, Action for the Homeless, May 12,1988.

Ohio: Ohio received $1,926,656 to fund programs in Toledo, Cincinnati, Columbus and Cleveland. "The biggest problem with our health care programs was that funding for 1988 was cut so severely in the appropriations process that our projects may be forced to cut back services in the second year. At the same time, many other cities including Dayton, Akron, and Youngstown, which were not funded during the first round, are left without a health care for the homeless project." Bill Faith, Ohio Coalition for the Homeless, May 1988.

Rhode Island: Traveler's Aid in Rhode Island received a $253,000 grant and has been able to expand the services provided to the homeless by its medical vans as a result of this program. Linda Barden, Rhode Island Coalition for the Homeless, April 28, 1988.

Tennessee: A portion of McKinney Act health care funds in Tennessee will be used for a detoxification program. Beds for homeless persons with drug and alcohol abuse problems have been doubled in Nashville as a result. Altogether, the state received $1.3 million in primary health care funds. Kate Monaghan, Council of Community Services, May 10, 1988.

Wisconsin: The Wisconsin primary health care grant is expanding the scope of an ongoing health care program which goes into shelters and congregate meal sites. Now health care providers regularly visit all the sites where homeless persons come for shelter services and meals. Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

B. Mental Health Block Grants

1. Program overview: A new block grant program to support the provision of community-based mental health services was authorized by the McKinney Act. States were permitted to apply to the National Institute of Mental Health (NIMH) for a block grant to be used to fund the provision of mental health care for homeless individuals by public and private nonprofit organizations. 30/

2. Distribution of funds:

(a) 1987: The block grant program was funded in 1987 with a $32.2 million appropriation. Because the agency set no application deadline, many states delayed filing their applications for many months after the program was made available. The National Coalition for the Homeless and local service providers spent substantial time pressing various states to expedite the filing of their applications. As of this report, Maryland and Hawaii have not yet filed their applications, but have committed to file. All other states have applied for their block grants, $30.6 million of the 1987 funding has been awarded to the states which have already been approved for funding. 31/ However, the states have proceeded to make use of their block grants at varying rates because the law permits HHS to allow states two years to obligate these funds to service providers. 32/

(b) 1988: NIMH did not require states to submit new applications for the $11.4 million in block grant funds appropriated in 1988, but simply added each state's 1988 award to its 1987 grant. As a result, all the 1988 funds have already been awarded to the states which have completed their applications for their 1987 grants. 33/

3. Local demand for and use of funds: Mental health block grant funds are already making a significant contribution to the mental health care of homeless individuals. Many states have adopted programs which incorporate outreach, intensive case management, and supportive living arrangements. Providers around the country agree that aggressive outreach services coupled with long-term case management and supportive living situations are the primary needs of the mentally ill homeless. Anything less virtually assures that most of the target population will either never be reached or will be unable to continue the prescribed mental health care treatment. Local providers were also unanimous in their opinion that the available funds fail to meet the overwhelming need for community mental health services.

4. Summary of local reports:

California: California only recently received its mental health block grant. It took a lengthy process, much like other states, to arrive at a plan to use its funds. The state first developed a plan which it negotiated with representatives of HHS; then the plan was reviewed and approved by the State Secretary of Health and Welfare; and then by the Department of Finance; and then by the governor. Leon Zecha, Homeless Caucus, March 1988.

Delaware: The mental health block grant of $275,000 was divided evenly between the Salvation Army and several other shelters in Kent and Sussex Counties to provide beds and services especially to the mentally ill population. Ken Smith-Shuman, Delaware Coalition for the Homeless, May 2, 1988.

Georgia: "The $524,684 mental health grant has been poorly handled in Georgia. The money was used to fund additional case managers, but the program does not allow the delivery of outreach services until a treatment order is issued for the patient. At the same time, a treatment order cannot realistically be issued for the patient without outreach services. Worst of all, the grant money was used to supplant state funds. Thus the McKinney money did not increase the services available to the homeless mentally ill. Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Illinois: In Chicago the grant is being used to create four case management units to provide community mental health services to the homeless throughout the city. Becky Groulx, Illinois State Support Center, May 2, 1988. According to Rita Fielder, Illinois Department of Mental Health, funds will be used to provide services that simply did not exist before. The program includes mobile crisis unit (outreach, assessment, intervention, and linkage to other services city-wide); a crisis stabilization unit; long term case management which is the anchor of the program, and a residential and rehabilitation component to teach independent living skills. Despite her enthusiasm about the project, Ms. Fielder states that the money does not come close to meeting the need for mental health services. For example, the program has the capacity to house 10 individuals -- yet there are 2,000 to 6,000 homeless people in Chicago who desperately need mental health care. The state received a $1.5 million mental Mental Health Block Grant. Rita Fielder, Illinois Department of Mental Health, May 12, 1988.

Kentucky: "With some pushing, the department of mental health began to use some of their funds to put outreach workers on the streets, but it still will not transport people from the streets to the clinic for mental health care." Kentucky received a $275,000 grant. Michelle Budzick, Northern Kentucky Coalition for the Homeless, May 13, 1988.

Nebraska: "Our block grant of $275,000 is being used to provide outreach teams to contact the mentally ill homeless and a case manager to work intensively with clients to get them the entitlements and social services. The money will also be used to provide mental health care training to shelter staff." Jim Blue, Community Alliance , May 4, 1988.

New York: The State applied for its $2.6 million grant and was approved by NIMH, but has yet to issue an request for funding proposals for concrete plans to use the money. Jessica Marshall, New York Coalition for the Homeless, May 12, 1988.

Ohio: The State received $1,214,789 for FY 1987 and $539,903 for FY 1988 under this program. The local boards that have received the funds are contracting with mental health agencies to improve case management, outreach services, shelter staff training, housing related assistance, referrals to health services, substance abuse treatment, and supportive and supervisory services in residential settings. Funds will be spent in urban areas as well as in Ohio's rural Appalachia. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Pennsylvania: "The money was badly needed and will be used to fund ideas that have been on the drawing board without a funding source. There should be a reasonable deadline for the submission of plans stating how block grant money will be used. Our state still has not submitted its plan even though the ground work was done long before there was a source of funding." The state received a $1.3 million grant. Jane Malone, City of Philadelphia, May 16, 1988.

Virginia: The State's $614,000 mental health block grant was allotted to eight geographic areas with populations over 100,000 and estimated to have the highest concentrations of homeless persons. The emphasis of the program is on outreach and case management. Street teams and mobile vans have been set up in several areas. "This is an important step in the right direction, but we can't expect to substantially improve a homeless person's mental health until we get them into supportive housing." Sue Capers, Virginia Coalition for the Homeless, May 2, 1988.

Wisconsin: "We have not seen the money yet. The state applied for $443,258 in funding after a lengthy delay, and a group has organized to determine how the funds will be used." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

5. Recommendations: The agency should set specific deadlines for the submission of block grant applications by the states and should be required to establish an award schedule which requires states to award funds to direct service providers within 120 days after funds are made available by Congress.

C. Mental Health Demonstration Grant

1. Program overview: The Act established a program to fund state mental health authorities which sought to establish community-based pilot projects to serve homeless adults and children with severe long-term mental illnesses. 34/

2. Distribution of funds: The program was funded with $9.3 million in appropriations in 1987 but was not funded at all in 1988. Thirty-three state mental health authorities applied seeking over $21.7 million in funds from NIMH. Nineteen of those applications were funded in April 1988, eight months after the funds were made available by Congress. 35/ Congress failed to set any specific deadline for the distribution of these funds.

3. Local demand for and use of funds: The projects funded provide comprehensive mental health services to a population with special needs. However, the projects funded do not begin to meet the need for mental health services, as the providers' reports which follow demonstrate.

4. Summary of local reports:

New York: A screening and assessment team and an intensive case managment unit will be created to provide outreach services and treatment and social services counselling to women in municipal shelters with the $930,000 grant. Jessica Marshall, New York Coalition for the Homeless, May 12, 1988.

Ohio: A project in Cleveland is being formed which will provide 24 hour case management, outreach, screening, assessment, and appropriate referrals both on-site and through a new drop-in center. The project received a $1.2 million grant award. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Maryland: Catholic Charities of Baltimore City was denied demonstration funds for a program to provide transitional shelter to mentally ill persons "whose behavior was so bizarre they could not stay in shelters and had no where else to go. There is no other program in Baltimore City targeted to shelter these mentally ill homeless who no one else will touch." It is estimated that there are over 6,000 mentally ill homeless individuals in Baltimore. The denial of federal funds means these people will likely spend another year on the streets and in and out of shelters. Alex Godda, Action for the Homeless, May 12, 1988.

Tennessee: A new project was funded with a $700,000 grant to provide mobile outreach and supportive housing to mentally ill homeless persons. Kate Monaghan, Council of Community Services, May 10, 1988.

Wisconsin: Wisconsin did not receive a mental health demonstration grant. "It scares me when I consider the severity of our need for mental health services. Wisconsin is regarded as having the best mental health system nationwide. Yet 30% of our homeless in shelters have severe mental health problems which are not being treated. The lack of adequate mental health care is the primary reason this group is in shelters in the first place." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

5. Recommendations: Funds should be appropriated to continue the program. The agency should be required to award funds to direct service providers within 120 days after funds are made available by Congress.

D. Alcohol and Drug Abuse Demonstration Grants

1. Program overview: The Act also created an alcohol and drug abuse demonstration grant to be distributed by the National Institutes of Alcohol Abuse and Alcoholism (NIAAA). 36/

2. Distribution of funds: The agency has awarded the $9.2 million in 1987 appropriations to eight of the eighty-eight public and private nonprofits who applied. Even though NIAAA received over $65 million in funding requests in 1987 which could not be approved because of funding limitations, no money was appropriated to initiate additional projects in 1988. 37/ Since the agency was under no specific statutory schedule to award funds under this program, the agency delayed the award of funds for eight months after the appropriations were available.

3. Local demand for and use of funds: Much needed alcohol and drug abuse treatment projects funded with McKinney Act funds are beginning to be made available. However, the level of funding and number of projects funded fell far short of the need for alcohol and drug abuse treatment in the homeless community. The reports of local service providers which follow describe in more detail the need for and use of these funds.

4. Summary of local reports.

California: A project in Los Angeles will provide a two-phase residential recovery program for homeless chronic alcoholics with its $1.7 million grant. The program includes a 90-day residential program in a rural setting where counselling and pre-employment training will be offered. An Alameda County nonprofit will establish a 24 hour Alcohol Crisis Center to provide street outreach and case management as well as an education program run by persons with experience with homelessness or alcoholism. Ruth Schwartz, Shelter Partnership, May 1988.

Kentucky: Louisville received a $1 million grant to develop a 20 bed shelter/sobering up station for homeless men. All men entering the station will be placed in case management program where they will be assessed and placed in other programs. Sue Speed, Louisville Coalition for the Homeless, May 1988.

Nebraska: "Our alcohol and drug abuse treatment grant proposal was rejected because our 'evaluation' component was not strong enough. I can't help but find it inappropriate to focus on evaluation when the need for service so far outstrips available resources. In Lincoln there is a detox program where an alcoholic can go for three days to dry out. But there is a lengthy waiting list for the long term treatment program in the city. We wanted to set up a store front alcohol and drug abuse outreach center so that those who took the first step to say, 'I want help' could get an immediate response." Jim Blue, Community Alliance, May 4, 1988.

Pennsylvania: A Philadelphia nonprofit received a grant to establish a residential recovery program for alcohol and drug abusers, which combines outreach, case management, and individual assessment. Another nonprofit will establish a diagnostic and rehabilitation center for homeless alcohol and drug abusing women and their children. Together the grantees received $1.5 million. Jane Malone, City of Philadelphia, May 1988.

5. Recommendations: Funds should be appropriated to continue the program. The agency should be required to award funds to direct service providers within 120 days after funds are made available by Congress.

E. Community Services Block Grant

1. Program Overview. The McKinney Homeless Assistance Act also incorporated the resources of the Community Action Agencies' (CAAs) nationwide network of service organizations to provide emergency assistance to the homeless population. Under the program, CAAs which had already been serving the homeless were eligible for grants to expand comprehensive services to homeless persons, to assist homeless persons in obtaining access to social services and benefits, and to promote private sector and other assistance to the homeless. Other organizations and Indian tribes were also eligible for a portion of these funds. 38/

2. Distribution of funds.

(a) 1987: In 1987 Congress appropriated $36.8 million to be distributed in block grants based on the CSBG formula to all states which would in turn distribute the funds to eligible organizations. HHS announced the program in mid-September 1987, but failed to set a deadline for state block grant applications. Moreover, the agency does not require states to award funds to CAAs until September 30, 1988. 39/

Not surprisingly, some states took several months to apply for their block grants and then substantial additional time to obligate funds to the CAAs. One state took four months to sign contracts it had already negotiated with local CAAs. Both the CAAs and the National Coalition spent substantial time and effort pressing states to apply for and obligate funds on a timely basis. Every state has now applied for and received its block grant and Community Action Agencies are using the funds to provide badly needed services to the homeless in every state. 40/

(b) 1988: $19.148 million was appropriated to fund this program in 1988. HHS has determined that it is legally required to issue regulations governing this program which has substantially delayed the award of 1988 appropriations. The agency currently expects to award 1988 funds to the states by September, 1988. 41/

3. Local demand for and use of funds. In general, McKinney Act funds have spurred local CAAs to greatly increase their level of activity and service to the homeless population. Like other low income service organizations, Community Action Agencies are finding that their clients increasingly are homeless or in immediate danger of becoming homeless. The new funds are being used to provide a variety of social services which would otherwise be unavailable to homeless persons. The services of the CAAs are especially crucial to the survival of homeless persons in rural areas where CAAs are the only service organizations in existence.

4. Summary of local reports:

Arizona: The state received over $600,000 in block grant funds. In Maricopa County, CSBG funds are being used to pay rent, security deposits, utilities, food, clothing, transportation, and employment/education related expenses. The city of Phoenix also received a grant to pay rent, utilities, and other financial assistance. Fred Karnis, Community Housing Partnership, May 19, 1988.

Connecticut: The funds are distributed to CAAs which are, among other things, providing follow-up services to homeless persons moving back into permanent housing to minimize the chance that such persons will again find themselves homeless. The state received over $600,000 in block grant funds. Jane McNichol, Connecticut Coalition for the Homeless, May 2, 1988.

Delaware: The state's $275,000 in community services block grant funds was divided among five shelters to provide on-site outreach and linkage services to persons staying in the shelters. Ken Smith-Shuman, Delaware Coalition for the Homeless, May 2, 1988.

Illinois: The state has delayed signing contracts funding the CAAs programs with its $2.2 million in grant funds. It took up to four months to get contracts signed after a project had been approved. The projects funded will provide much needed services. For example, the New Moms project in Chicago will finance rental apartments for new mothers and as many as two children. Polish Welfare received $85,000 to fund a drop-in center where homeless persons can receive counselling and outreach services as well as daytime shelter and transportation to overnight shelters. In Cook County, the Community Economic Development Corp. is expanding a program to provide emergency food and shelter, transitional housing and comprehensive services for families. In Springfield, street level outreach staff will make funds available for emergency food and rent vouchers. Becky Groulx, Illinois State Support Center, May 13, 1988.

Kentucky: The rural CAAs are often the only social service agency available in those areas. Michelle Budzick, Northern Kentucky Coalition for the Homeless, May 13, 1988. CAAs are providing a training program for nurses aides, and support services and the first 6 months' rent to families placed in apartments for the first time. Altogether Kentucky received over $300,000 in community service block grant funds. Sue Speed, Louisville Coalition for the Homeless, May 16, 1988.

Maryland: Baltimore City Urban Services will use its grant to provide emergency food assistance to homeless persons in the city. Altogether the state received $895,000 in community service grants. Alex Godda, Action for the Homeless, May 12, 1988.

Michigan: The Flint CAA received $49,000 to provide a five stage continuum of supportive services to the homeless from crisis management to permanent housing. They are also providing the first month's rent and security deposit and teaching classes on street management and landlord tenant relations. The CAAs are the strongest in rural areas where there are no other social services available. Janice Alexander, Michigan Coalition for the Homeless, May 2, 1988.

Minnesota: In Minnesota, the $572,000 community services grant funds are being used to coordinate activities between various interest groups to arrive at cooperative solutions for homeless issues. Pat Leary, Department of Jobs and Training, May 17, 1988.

Nebraska: The local CAAs have made their applications to the states but cannot get the State "off the mark" to award funds. Jim Blue, Community Alliance, May 4, 1988.

New Jersey: It took over five months after the CAAs submitted their applications for the State to award its $1.7 million grant to agencies. Patricia Fagen, New Jersey Coalition for the Homeless, May 12, 1988.

New York: The State received 51 applications for $8 million, but only 17 agencies could be funded with the $3.7 million in available funds. Fred Griesbach, New York Coalition for the Homeless, May 9, 1988.

Ohio: The Office of Community Services of the Ohio Department of Development received $1,462,836 which was disbursed to 49 Community Action Agencies. One innovative program in rural Ohio will purchase six movable trailers to shelter homeless families where shelters are not available. The Ohio Coalition recommends that a sizable portion of CSBG funds be targeted to rural areas, since this is one of the few McKinney Act programs which has effectively reached the rural homeless. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Pennsylvania: The rural CAAs in areas like Erie County are the only service organizations available and are an indispensible resource for homeless persons. Altogether the state received $1.9 million in grant funds. Jane Malone, City of Philadelphia, Director, Office of Services to Homeless Adults, May 16, 1988.

Tennessee: Tennessee funds totalling $588,284 have been used, among other things, to hire a

part-time coordinator for every CAA receiving a grant to serve the homeless. That effort has increased awareness of homelessness, especially in rural areas where problems of the homeless have gone unnoticed. In urban areas, CSBG funds have been used primarily to help homeless persons with transportation and utility costs. Kate Monaghan, Council of Community Services, May 10, 1988.

Virginia: The State divided its $600,000 CAA block grant into smaller grants to 16 local communities. For example, the Richmond CAA is opening a transitional house for ex-offenders; Fauquier County is turning a building donated by the County into an emergency shelter; the Montecello CAA is offering transitional housing and developmental services; and the Roanoke agency is offering transitional housing to hard to serve populations -- support services, counselling, food and clothing to ex-offenders, drug abusers and mentally ill homeless. "I am encouraged by these developments. Many CAAs had not been actively involved in direct services to the homeless before the McKinney Act. Now they seem spurred to put their social service skills to use to help the homeless." Sue Capers, Virginia Coalition for the Homeless, May 2, 1988.

5. Recommendations: The agency should set specific deadlines for the submission of block grant applications by the states and should establish an award schedule that requires states to award grants to Community Action Agencies and other organizations within 120 days after funds are made available by Congress.

VI. DEPARTMENT OF EDUCATION

A. Education of Homeless Children and Youth

1. Program Overview. Congress authorized a new program in the McKinney Act to ensure that homeless children receive a free, appropriate education. Congress first made clear that as a matter of federal policy states must ensure that homeless children are not denied access to school merely because they lack a permanent address. Congress also provided funding to states to assist them in carrying out their obligation to ensure that homeless children remain in school. States may use their funds to hire a state coordinator and to create a state plan to accomplish the legislative goals. 42/

2. Distribution of funds.

(a) 1987: $4.6 million was appropriated in 1987 to fund this program. However, the Department unreasonably delayed implementation of the program contrary to congressional intent and the statutory scheme. After the National Coalition filed a lawsuit to force the agency to accelerate its schedule, the agency agreed to take steps to expedite its efforts. 43/ All 50 states have now applied for federal funds and are creating state plans to assure homeless children's access to education.

(b) 1988: The $4.787 million in 1988 appropriations will be distributed to the states by April 30, 1989, to continue this program.

3. Local demand for and use of funds: According to service providers around the country, these funds are desperately needed. While shelter workers attempt to keep children enrolled in school by intervening with local school officials, they are able to assist only a small fraction of the

homeless children. At the same time, nearly all local service providers are critical of agency limitations on the use of education funds which prevent the states from funding direct services to homeless children, such as transportation to school, tutoring and textbooks.

4. Summary of local reports:

Connecticut: "We don't know yet how the state will spend its education grant, but we do know the need for the program is great. Connecticut needs a uniform policy as to how homeless kids will be admitted to a specific school district. It's hit or miss now. Some schools allow the kids to continue after their parents lose their home, some do not. We also desperately need funds to transport the kids to school, which I realize is not specifically provided for in the Act." Jane McNichol, Connecticut Coalition for the Homeless, May 2, 1988.

Georgia: "The funding to ensure homeless kids access to education couldn't be more important in Georgia. The shelters run interference for the children to try to keep them in school, but there are still problems. We can't keep up with every child and every homeless child is not in a shelter. I don't know how they manage." Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Iowa: In Iowa, hearings held in 5 cities will help to identify barriers to education for children. The State will then create and implement a plan to remove those barriers. Bob Cook, Des Moines Coalition for the Homeless, May 10, 1988.

Kentucky: "I was appointed to the state board to oversee the youth education program. They gave us $68,000, but we have to use it to hire a coordinator and do an evaluation. They even told us to submit expense vouchers for meals and gas because 'that is what the money's for.' I know there are better uses for that money. We could have put a learning lab with an apple computer in every family and runaway youth shelter. We could have bought textbooks and education materials for the kids. We could have beefed up the homebound teacher program that tutors sick children. We could have run a demonstration project. I find it very ironic that we can't spend the money to transport homeless kids to school but the board members can charge the program for mileage to and from meetings." Michelle Budzick, Northern Kentucky Coalition for the Homeless, May 13, 1988.

Minnesota: Like other states, Minnesota education funds have been used to study the problems homeless youth have in obtaining a public education. According to one local advocate this information is already available. Consequently, the McKinney Act funds could have been better spent. Pat Leary, Department of Jobs and Training, May 17, 1988

Ohio: The Ohio Department of Education received $140,000 which will be used to hire a state coordinator for homeless children's educational services and for planning and policy development. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio. Ohio Coalition for the Homeless, May 1988.

Wisconsin: "It is a shame the education funds cannot be used immediately to provide services to homeless kids. Education must be provided on site. Homeless families are experiencing a desperate time in their lives, and tend to put off worrying about their kids' schooling until they find a place to live. Also the children have special needs for counselling and special education which could be better met in the emergency shelters." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

5. Recommendation: The statute should be amended to specifically allow state education agencies to provide essential educational services to homeless youth, such as transportation, textbooks, and tutoring and counselling services, as well as to assure homeless children's access to the public schools.

B. Adult Literacy

1. Program overview. Congress also initiated an adult education program whereby the Department of Education is to make grants to state education agencies to develop a plan and implement a program of adult literacy for homeless persons. The plan is supposed to include outreach and coordination with existing services on the part of the state grantee.

2. Distribution of funds. The Adult Literacy program was the last McKinney Act program funded in 1987 to be implemented and is the only 1987 program which has not begun to award funds as of this report. The agency determined that the legislation was vague and impractical and undertook a lengthy process to clarify the legislation. 44/ The program, finally announced on May 17, 1988, makes the $6.9 million 1987 appropriation available to all states to provide literacy training and basic skills remediation for homeless adults. States must apply for funds by July 1, 1988 and funds will be awarded shortly after the program's implementing regulations become effective this summer. 45/

3. Recommendations: The agency should be required to award funds to state education agencies within 120 days after funds are made available by Congress.

VII. DEPARTMENT OF LABOR

A. Job Training Demonstration Program

1. Program Overview. The McKinney Act also created a job training demonstration program targeted at homeless persons. The Department of Labor was authorized to award funds to public and private nonprofit entities to provide basic skills instruction, remedial education, basic literacy instruction, and employment search, counselling and training. 46/

2. Distribution of funds. This program was not funded until 1988 when $7.3 million was appropriated by Congress. On April 19, 1988, the Department published a notice announcing this program. Applications are due June 20, 1988 and the agency states that it expects to award funds before the end of summer, nearly nine months after funds were made available. 47/

B. Veterans' Reintegration Project

1. Program overview. The McKinney Act also continues a program to assist homeless veterans to make the transition out of homelessness. Under the program, local governments receive grants to employ formerly homeless veterans to provide outreach services to veterans on the street and in shelters. 48/

2. Distribution of funds. The program was not funded until 1988 when Congress appropriated $1.6 million. In a notice dated April 12, 1988 the agency made these funds available to cities interested in participating in the program. 49/ Thirty-three state and local governments responded to the notice by the May 13, 1988 deadline. Only 15 applications can be funded with available appropriations.

VIII. DEPARTMENT OF AGRICULTURE

A. Food Stamps Amendments

1. Program overview. The McKinney Act began the process of removing barriers to participation in the Food Stamps program. The Act provides matching funds to states to provide outreach to assist eligible persons in applying for assistance. There is no limit on the matching funds that can be made available to states under this program. Expedited service whereby eligible applicants could receive food stamps benefits within five days after filing their applications was also authorized. In addition, the Act allows families living together to be deemed separate households, exempts third party payments to shelters from income, and raises the excess shelter income deduction. 50/ All these changes were implemented by regulations published by the Food and Nutrition Service (FNS) on September 29, 1987. 51/

2. Local response to the legislation. The benefit of these improvements to the Food Stamp law has yet to materialize in many states. In many cases local advocates were forced to take extraordinary actions to persuade local agencies to implement the new amendments. Moreover, a survey of FNS regional offices revealed that only one state is currently known to be participating in the Food Stamps outreach program. 52/

3. Summary of local reports:

Georgia: "We do our own outreach. The State does none. We don't even have expedited service here. It takes at least 25-30 days to get food stamps even if the client qualifies for expedited service." Anita Beatty, Atlanta Task Force on the Homeless, May 12, 1988.

Kentucky: "There's no food stamps outreach here. I don't think the state's very interested in pushing the program. It took two months after the McKinney Act was passed for caseworkers in Covington to begin to accept food stamps applications from homeless people." Michelle Budzick, Northern Kentucky Coalition for the Homeless, May 13, 1988.

Nebraska: In Nebraska, homeless people are beginning to receive food stamps even though they are living on the streets. Jim Blue, Community Alliance, May 4, 1988.

Ohio: The Ohio Department of Human Services implemented several regulatory changes in an attempt to make food stamps more widely available to the homeless. However, outreach activities have yet to take place. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, Ohio Coalition for the Homeless, May 1988.

Wisconsin: "We finally had to sue the State to get the food stamp program changed so that homeless people could receive stamps even though they did not have a permanent address." Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

4. Recommendations: The agency should actively monitor each state's efforts to implement amendments to the food stamp law which reduce barriers to participation in the program. In addition, states should be required to provide outreach services. Private nonprofits should be permitted by law to apply for funding to provide outreach services.

B. Temporary Emergency Food Assistance Program (TEFAP)

1. Program overview. The McKinney Act also expanded the existing Temporary Emergency Food Assistance Program (TEFAP) activities to distribute surplus food to the homeless population. Under the program the Department of Agriculture was authorized to release an additional 14 million pounds of surplus food to states requesting assistance to feed its homeless population. 53/

2. Implementation of the program. While the agency published regulations implementing the law, the changes had little positive effect because of a crisis in the supply of surplus food. Early this year the Department of Agriculture announced that after March, 1988 the program would deplete its supply of surplus rice and honey and that after April it would run out of non-fat dry milk and cheese. 54/ This announcement prompted a broad congressional inquiry into the program.

The hearings which followed found that the need for emergency food assistance was increasing at an alarming rate: requests for emergency food relief increased by 25% in 1986 alone. Fifteen million people received TEFAP commodities in 1986. 55/ Congress also found that barriers to participation in the food stamps program have prevented many otherwise eligible persons from participating in the program, forcing them to rely heavily on the TEFAP program for food assistance. Fewer than half the persons participating in TEFAP also receive food stamps while over 41% of the TEFAP participants consider the surplus food program their primary source of food. 56/

3. Local need for surplus food. These facts are supported by information received from local providers that the surplus food program is essential to the survival of thousands of homeless or near homeless families and individuals.

4. Summary of local reports.

California: "More than $3.5 million worth of TEFAP food stuffs were distributed in 1985 to more than 62,000 households in the Bay Area. The loss of such a program would have a severe impact on the homeless, homeless shelters which utilize such food stuffs, and on low income families who are severely at risk of becoming homeless." Leon Zecha, Homeless Caucus, March 1988.

Ohio: Surplus commodities in Ohio are primarily distributed by 15 regional food banks. Ohio's remaining food supply is expected to be exhausted in the coming months. Implementation of the Stewart B. McKinney Homeless Assistance Act in Ohio, May 1988.

Wisconsin: There is a critical shortage of food in the Wisconsin food banks. It is imperative that the TEFAP program be continued for the immediate future to prevent massive hunger in our area. Joe Volk, Task Force on Emergency Shelter and Relocation, May 2, 1988.

5. Recommendations: The TEFAP program should be continued until barriers to participation in food stamps are eliminated and food stamp assistance is raised to a level that provides adequate nutrition to eligible persons.

IX. VETERANS ADMINISTRATION

A. Surplus Property

1. Program overview. In companion legislation to the McKinney Act, Congress established a program to increase shelter space available to homeless veterans. The Act requires the VA to fund conversion of surplus space in VA hospitals and health facilities to provide domiciliary beds for veterans.

2. Distribution of funds. $15 million in 1987 appropriations was made available for this purpose. These funds have all been awarded, and have already created 525 new shelter beds in Cleveland, Ohio; Tacoma, Washington; Little Rock , Arkansas; Brooklyn, New York; Lyons, New Jersey; Coatsville, Pennsylvania; and North Chicago, Illinois. According to reports from local advocates, these shelter beds are filled every night. No 1988 appropriations were passed to continue this program.

3. Summary of local reports:

Illinois: The North Chicago VA Medical Center received a $1.3 million grant for rehabilitation and maintenance and now has all its 60 beds filled each night. Becky Groulx, State Support Center, May 11, 1988.

New York: Two facilities, Brooklyn and Montrose, received renovation funds of over $3 million and are now providing domiciliary care to homeless veterans. Four VA hospitals also received grants to provide psychiatric services to homeless veterans in Bath, Buffalo, New York City and Syracuse. Fred Griesbach, New York Coalition for the Homeless, May 9, 1988.

X. GSA, HHS, HUD SURPLUS PROPERTY PROGRAM

1. Program overview. As part of the McKinney Homeless Assistance Act, Congress required HUD to request that all agencies inventory their real property to identify underutilized space in government buildings. Under the statute, HUD must then determine which space is suitable for use to assist the homeless. GSA and HHS must then take whatever steps are necessary to make the

property available for use as shelters. GSA must also require state agencies to make surplus personal property available for this same purpose. 57/

2. Implementation of the program. In October 1988 the Secretary of HUD wrote to 29 federal agencies requesting that they identify federal property under their control that they deemed suitable to assist the homeless. Contrary to the statutory requirement, HUD did not seek a listing of all underutilized federal properties. 58/ By February 29, 1988, 26 agencies had responded to the HUD request and 3 agencies had requested more time to respond. At that time the agencies identified only nine buildings for use to assist the homeless. By March, 1988 three additional buildings had been identified. 59/ On March 10, 1988 regulations were published implementing the program but no guidelines were issued describing the application process for the program. 60/ However, $963,000 worth of federal personal property (mostly clothing, cots, bedding, and kitchen supplies) have been released to assist the homeless. 61/

3. Recommendations: HUD should comply with the statutory requirements to collect a listing of all underutilized property held by the agencies. This list should be published along with guidelines describing the procedure for applying to use underutilized federal property. GSA should also be required to monitor and enforce compliance with the program by the other federal agencies.

XI. CONCLUSION

The emergency federal aid provided by the McKinney Act has reached the streets and is providing survival resources to homeless persons across the country. While there have been agency delays, nearly all 1987 funds and most 1988 funds have been awarded. Nonetheless, as documented in this report, the relief provided is in no case adequate to meet the ever-increasing need. At both the executive and legislative levels, much more remains to be done.

Executive Action

* The Interagency Council should monitor all McKinney Act programs, make regular reports about agency performance under the Act, and coordinate among the federal agencies. In addition, the Council should provide clearinghouse services -- including basic information about the programs and applications forms. Finally, it should provide technical assistance to applicants to aid them in the application process.

* All government agencies should be required to award funds to service providers by specified deadlines not to exceed 120 days after funds are made available by Congress.

* HUD should be required to simplify its application under the transitional housing program, and to assist applicants in meeting the threshold criteria after their applications are submitted.

* Private nonprofit entities should be allowed to apply for the permanent handicapped housing program.

* The Department of Agriculture should be required to monitor state implementation of food stamp legislation to reduce barriers to participation in food stamps, and states should be required to provide outreach services.

* GSA, HUD and HHS should be required to implement, monitor, and enforce the underutilized property program.

Congressional Action

Congressional action is needed to fulfill the initial congressional promise of emergency relief to the nation's homeless poor and to provide permanent solutions to homelessness.

* Supplemental appropriations. Although Congress authorized $616 million in funding for the McKinney Act for 1988, it actually appropriated only $363 million. As a result, many of the new programs were eliminated or decimated. Yet, as documented in this report, available funds are grossly inadequate to meet the need. Supplemental appropriations should be enacted to restore the funding.

* Reauthorization. By its terms, the McKinney Act expires at the end of 1988. Unless it is reauthorized, the new programs it has created -- and the emergency aid it has begun to provide -- will be terminated. The Act should be reauthorized at higher funding levels.

* Permanent solutions. The emergency relief provided by the McKinney Act is a stop gap measure. While it is badly needed and helps save lives, it is obviously not enough. If Congress is serious about addressing homelessness, it must do more than treat its symptoms; it must eliminate its causes. Federal housing programs must be refunded -- to at least 1981 levels -- to provide permanent housing for the homeless.

NOTES

1. The 1987 funds which have not yet been awarded include appropriations for two HUD programs. HUD delayed one the Transitional Housing program by requiring completion of a lengthy, technical application form. HUD's Permanent Handicapped Housing program failed to generate sufficient financial support from state governments which were the only eligible applicants for the program. In addition, DOE has delayed the award of funds under the adult literacy program, claiming that it could not administer the program because the statutory language was overly vague.

2. See Pub. L. No. 100-77, 101 Stat. 482, Sections 201-09. Interview with Cassandra Moore, Interagency Council, May 27, 1988.

3. Interview with Mary Phillips, American University Washington College of Law, May 26, 1988.

4. Pub. L. No. 100-77, 101 Stat. Section 482, 311-22.

5. Interview with Sharon Daily, FEMA, May 24, 1988.

6. Pub. L. No. 100-77, 101 Stat. Sections 411-17.

7. 52 Fed. Reg. 38,864 (Oct. 19, 1987).

8. See Saving Lives: Emergency Federal Aid Reaches the Streets, pp.9-19, (November 1987).

9. Letter from Jim Stimson to Julia Akins dated May 12, 1988.

10. Pub. L. No. 100-77, 101 Stat. Sections 421-28.

11. Pub. L. No. 100-71.

12. 52 Fed Reg. 33, 536 (Sept. 3, 1987).

13. See 52 Fed Reg. 39,974 (Oct. 26, 1987).

14. Interview with Diana Neal, HUD, November 6, 1987.

15. Interview with Morris Bourne, HUD, May 16, 1988.

16. 53 Fed. Reg. 4,458 (Feb. 16, 1988).

17. Interview with Dee Easter, HUD, May 27, 1988.

18. Pub. L. No. 100-77, 101 Stat. Section 422(i).

19. Interview with Morris Bourne, HUD, May 16, 1988.

20. Interview with Gail Williams, HUD, June 8, 1988.

21. Pub. L. No. 100-77, 101 Stat. Sections 431-34.

22. National Coalition for the Homeless v. Pierce, Civ. Action No. 87-2649 (D.D.C. filed Sept. 25, 1987).

23. Pub. L. No. 100-77, 101 Stat. Section 441.

24. Interview with A. M. Bell, HUD, January 29, 1988.

25. Pub. L. No. 100-77, 101 Stat. Section 441.
26. Interview with Harold Dame, HHS, September 3, 1987.
27. 52 Fed. Reg. 32,347 (Aug. 27, 1987).
28. Interview with Harold Dame, HHS, May 2, 1988.
29. Id.
30. Pub. L. No. 100-77, 101 Stat. Sections 521-534.
31. Interview with Loretta Haggard, HHS, May 12, 1988.
32. Interview with Tom Reynolds, HHS, May 12, 1988.
33. Interview with Loretta Haggard, HHS, May 12, 1988.
34. Pub L. No. 100-77, 101 Stat. Section 612.
35. Report from Loretta Haggard, HHS, May 1988.
36. Pub. L. No. 100-77, 101 Stat. Section 613.
37. Report from Barbara Lubran, HHS, May 1988.
38. Pub L. 100-77, 101 Stat. Sections 751-54.
39. Interview with May Brooks, HHS, October 13, 1987.
40. Interview with Jan Fox, HHS, May 12, 1988.
41. Id.
42. Pub. L. No. 100-77, 101 Stat Sections 721-25.
43. National Coalition for the Homeless v. Bennett, Civ. Action No. 87-3512 TFH (D.D.C. filed Dec. 28, 1987).
44. Interview with Thomas Johns, DOE, August 31, 1988.
45. 53 Fed. Reg. 17,681.
46. Pub. L. No. 100-77, 101 Stat. 731-737.
47. 53 Fed. Reg. 12,884 (April 19, 1988).
48. Pub. L. No. 100-77, 101 Stat. Sections 801-09.
49. 53 Fed Reg. 15751 (May 3, 1988).
50. Pub. L. No. 100-77, 101 Stat. Sections 801-09.
51. 52 Fed. Reg. 36,390 (Sept. 29, 1987).
52. Interviews with FNS field staff in all regions conducted between June 1 and June 6, 1988.

53. Pub. L. No. 100-77, 101 Stat. Sections 811-14.

54. Interviews with Bob Beard and Indulis Kasitis, DOA, February 5, 1988.

55. Testimony of Congressman Bruce Vento before the Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, February 24, 1988.

56. Testimony of Ellen Haas before the Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, February 24, 1988.

57. Pub L. No. 100-77, 101Stat. Sections 501-02.

58. Letter from Samuel Pierce to all Secretaries, December 1987.

59. Interview with Jim Stimson, HUD, and Marjorie Lomax, GSA, February 19, 1988.

60. 53 Fed. Reg. 7744 (March 10, 1988)

61. General Services Administration Report to the Congress and the Interagency Council on the Homeless, May 10, 1988 and February 25, 1988.

APPENDIX A
1987 Appropriations Under the McKinney Act
May 25, 1988

Agency	Program	Authorization	Appropriation	Awarded
FEMA	Emergency Food & Shelter	15	10	10
HUD	Emergency Shelter Grant	100	50	50
	Transitional Housing	80	65	55(1)
	Permanent Housing	15	15	5(2)
	SRO	35	35	35
	Supplemental Assistance	25	15	15
	Interagency Council	.2	.2	.2
HHS	Primary Health Care	50	46	46
	Community Service BG	40	36.8	36(3)
	Mental Health Block Grant	35	32.2	30.6(4)
	Mental Health Demonstration	10	9.3	9.3
	Alcohol & Drug Demonstration	10	9.2	9.2
DOE	Education of Homeless Youth	5	4.6	4.6
	Adult Literacy Program	7.5	6.9	0
DOA	Food Stamps	0	0	0
	TEFAP	0	0	0
VA	Surplus Property	20	15	15
	TOTAL	**$447.7**	**$350.2**	**$320.9**

Notes:
(1) $10 million of the $30 million set aside for Transitional Housing for the Mentally Ill was not awarded because HUD rejected 14 applications and refused to fund $12 million in requests. The $10 million will be awarded along with the 1988 appropriations for transitional housing.
(2) An insufficient number of states filed applications for this program. HUD will issue a second solicitation in June which is expected to result in the distribution of the remainder of these funds this summer.
(3) Only Alaska has not yet filed its block grant application. The state's funds will be released two weeks after its application is approved.
(4) Only two states, Maryland and Hawaii, have not filed their applications. Both states have committed to file. A few other states are revising their applications to meet HHS requirements. HHS will release these state funds two weeks after each state's application is approved.

APPENDIX B
1988 Appropriations Under the McKinney Act
May 25, 1988

Agency	Program	Authorization	Appropriation	Awarded
FEMA	Emergency Food & Shelter	124	114	114
HUD	Emergency Shelter Grant	120	8	4.6 (1)
	Transitional Housing	100	49.25	0 (2)
	Permanent Handicapped	*	15	0
	SRO	35	0	-
	Supplemental Assistance	25	0	-
	Interagency Council	2.5	.75	.75
HHS	Primary Health Care	30	14.361	0 (3)
	Community Service Block Grant	40	19.148	0 (4)
	Mental Health Block Grant	**	11.489	11.489
	Mental Health Demonstration	0	0	-
	Alcohol and Drug Demonstration	0	0	-
DOE	Education of Homeless Youth	7.5	4.787	0
	Adult Literacy Program	10	7.18	0
DOL	Veterans Job Training	2	1.915	0
	Job Training Demonstration	10	7.659	0
DOA	Food Stamps	59	59	59
	TEFAP	50	50	37.5
VA	Surplus Property	0	0	0
	TOTAL	**$615.0**	**$362.539**	**$227.339**

Notes:
(1) HUD has already awarded funds to local governments and will be awarding funds to state governments over the next 60 days.
(2) Funds will be awarded by late summer. Applications were due May 17, 1988.
(3) Funds will be disbursed to continue the programs begun by the 1987 grantees starting on December 1, 1988, when the last check is written on the 1987 program.
(4) HHS is issuing "interim final" rules by June to govern this program. Funds will be distributed by September.
* Included with Transitional Housing appropriations.
** Sums as needed.

APPENDIX C
DISTRIBUTION OF MCKINNEY ACT FUNDS

State	FEMA	ESG	Trans'l Hsng	Supp Asst	SRO	Prim Health	MMIG	MMDG	A&D Demo	CSBG	Youth Educ	Adult Educ	VA	Total
Alabama	2,933,277	592,000	340,105	180,200		367,062	342,855			495,233	78,840	251,921		5,581,493
Alaska	333,636	31,000	182,500				275,000		1,046,589	275,000	50,000	150,000		2,343,725
Arizona	1,920,908	160,000	826,060	403,350	1,085,040	1,592,902	435,652			629,274	50,000	150,000		7,253,186
Arkansas	1,133,689	441,000		14,583			275,000			275,000	50,000	153,900	1,300,622	3,643,794
California	14,168,024	1,571,000	5,249,271	1,454,501	1,900,800	7,419,246	4,204,799		1,760,012	6,073,586	370,635	1,026,265	1,037,748	46,235,887
Colorado	1,855,701	284,000	836,128	321,064	430,080	286,256	425,484			614,587	50,000	150,000		5,253,300
Connecticut	929,537	375,000	1,531,650	62,529		608,843	443,192			640,164	50,000	150,000		4,790,915
Delaware	270,000	28,000					275,000			275,000	50,000	150,000		1,048,000
Florida	5,211,604	693,000	3,029,880	469,395	3,492,360	1,658,306	1,643,764	893,682		2,374,320	164,165	541,623	148,000	20,320,099
Georgia	2,347,840	676,000	843,205	342,685	2,760,000	710,000	542,684			783,875	103,686	356,593		9,823,161
Hawaii	270,000	45,000	500,000			230,496	275,000			275,000	50,000	150,000		1,795,496
Idaho	528,655	144,000		46,060		367,385	275,000			275,000	50,000	150,000		1,836,100
Illinois	6,953,297	850,000	6,393,208	698,137		2,049,774	1,564,318	1,086,366		2,259,565	180,551	585,564	1,534,622	24,155,402
Indiana	2,378,785	624,000	503,925			583,061	486,554			702,799	60,256	277,169		5,616,549
Iowa	869,003	545,000	920,799			385,662	275,000			275,000	50,000	150,000		3,470,464
Kansas	678,458	329,000	461,355			300,000	275,000			275,000	50,000	150,000	59,200	2,578,013
Kentucky	2,205,914	530,000		562,600	1,491,840	383,410	275,000		888,972	338,379	68,957	260,208		7,005,280
Louisiana	4,382,794	606,000	1,039,330		1,328,400	1,125,000	459,530			634,875	96,180	257,496		9,909,605
Maine	421,933	243,000	1,252,360		493,200		275,000	284,902		275,000	50,000	150,000		3,445,395
Maryland	1,234,506	188,000	473,300			745,397	620,298			895,985	66,975	211,743		4,436,204
Massachusetts	1,801,321	786,000	4,237,560	1,060,000		1,032,128	842,955		1,050,338	1,217,600	39,098	245,854		12,312,854
Michigan	5,861,996	1,013,000	354,740		2,301,360	1,725,328	1,065,152	966,158		1,538,550	151,662	439,700		15,417,646
Minnesota	1,366,275	460,000	200,000		1,807,200	950,005	396,190		797,428	572,273	50,000	159,095		6,758,466
Mississippi	2,070,558	571,000				166,366	275,000			275,000	72,893	164,541	88,800	3,684,158
Missouri	1,970,853	497,000	305,050	1,272,765		1,948,448	503,712			727,583	62,540	275,164		7,563,115
Montana	346,782	132,000					275,000			275,000	50,000	150,000		1,228,782
Nebraska	453,376	236,000	110,149			116,070	275,000			275,000	50,000	150,000		1,665,595
Nevada	431,794	49,000	514,675	362,541			275,000			275,000	50,000	150,000		2,108,010
New Hampshire	270,000	146,000	200,000			126,810	275,000			275,000	50,000	150,000		1,492,810
New Jersey	2,363,186	460,000	2,458,060	881,329	904,800	1,152,042	1,213,047			1,752,175	128,619	371,397	939,748	12,624,403
New Mexico	1,001,780	189,000	208,258			225,000	275,000			275,000	50,000	150,000		2,374,038
New York	7,564,457	997,000	3,837,045	1,819,507	2,556,720	2,715,303	2,603,659	930,641		3,760,833	406,371	920,860	3,124,807	31,237,203
North Carolina	2,348,206	889,000				491,606	402,081			580,783	92,105	400,068		5,203,849
North Dakota	270,000	117,000					275,000			275,000	50,000	150,000		1,137,000
Ohio	6,343,647	1,086,000	1,939,570			1,926,656	1,214,789	1,243,423			140,552	535,154	1,941,277	16,371,068
Oklahoma	2,029,448	338,000	942,756			400,000	275,000			372,948	50,000	158,415		4,546,567
Oregon	1,615,934	234,000	1,287,915	58,590	1,851,360	570,276	275,000	473,164		350,204	50,000	150,000	1,445,548	8,361,991
Pennsylvania	4,648,041	1,000,000	1,511,490	1,017,754	3,250,800	2,801,519	1,340,143		1,592,394	1,935,758	199,397	640,627		19,937,923
Rhode Island	286,553	110,000	991,620		2,890,800	253,070	275,000			275,000	50,000	150,000		5,282,043
South Carolina	1,556,012	591,000	500,970			299,900	275,000	945,640		346,840	60,107	209,439		4,784,908
South Dakota	270,000	142,000		113,190		134,591	275,000			275,000	50,000	150,000	59,200	1,468,981
Tennessee	2,684,300	528,000		465,796		1,353,715	407,275	713,470		588,284	81,956	307,183	148,000	7,277,979
Texas	12,057,556	1,585,000	2,591,530	1,464,183	906,840	2,270,000	1,996,894			2,884,397	264,302	801,640		26,822,342
Utah	686,643	146,000	163,500			348,747	275,000			322,373	50,000	150,000		2,142,263
Vermont	270,000	110,000		228,726		237,309	275,000	112,979		275,000	50,000	150,000		1,709,014
Virginia	1,768,318	589,000	857,500	754,677		607,156	614,807	811,753		888,053	75,081	308,392	148,000	7,422,737
Washington, DC	412,104		3,125,653			1,300,000	275,000	237,979		275,000	50,000	150,000		5,825,736
Washington	2,832,807	268,000	1,028,825	945,838	3,469,200	1,267,260	528,288			763,081	50,000	151,283	1,834,622	13,139,204
West Virginia	1,266,128	360,000	191,670			182,234	275,000			275,000	50,000	150,000		2,750,032
Wisconsin	2,080,618	668,000	1,511,685		324,000	772,000	443,258			640,260	59,050	210,277	148,000	6,857,148
Wyoming	288,232	60,000					275,000			275,000	50,000	150,000		1,098,232